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Salinas Speaks at Pacific Basin Meeting Opening

Mexico City XHTV Television Network in Spanish
0200 GMT 7 May 91

[Report by correspondent Arturo Garcia from Guadalajara—live]

[Text] The 24th meeting of the Pacific Basin Economic Council [PBEC] was inaugurated today at 1100 in Guadalajara's (Degolado) theater. Attending the meeting are 486 delegates from 20 countries and 300 Mexican businessmen. At the opening speech, Mexican President Carlos Salinas de Gortari said our country is proud to welcome the delegates to the meeting, and he trusts the wealth of discussions conducted within the framework of the meeting will lead to greater cooperation among governments and businessmen because we all share the same goal, that is, to make the Pacific Basin a source of mutual progress.

Salinas voiced his trust the region will no longer be an Asiatic region, but rather an intercontinental basin.

Mexico will not grow isolated and will seek integration with blocs and countries that are open and without any barriers, Salinas said during the opening ceremony before almost 800 attending businessmen. The president added that Mexico seeks active participation in a world market with clear rules, as well as to attract foreign capital. He announced that an intellectual property protection law will be submitted soon, in line with international requirements. The president noted there is a strong ecological law and a solid economic program in Mexico.

[Begin Salinas recording] We plan to consolidate our development based on our own efforts. We are, however, determined to participate in the new international changes. For that reason, my government proposed a policy of progressive rapprochement to the different regional integration zones. We think the effort to expand our ties with some of them does not exclude a commitment or desire to get close to other zones. Mexico does not seek to belong to a closed and hermetic bloc, and it certaintly does not want to join only one market. [end recording]

The president made those remarks at the presidents' forum, which was the first plenary session of the PBEC meeting. Peruvian President Alberto Fujimori spoke afterward. He described his country's situation as bankrupt, and said his nation is open to trade exchange and the flow of capital and vanguard technology. Costa Rican President Rafael Angel Calderon said the 21st century belongs to the Pacific area because the most modern, open economies that offer the best possibilities are located in the Pacific Basin. It is also home to almost half the world's population, he said. The president noted that, owing to economic structural adjustment, Costa Rica's fiscal deficit was reduced by half a point as a percentage of GNP.

New Zealand's Deputy Prime Minister Don McKinnon said that as a result of the commercial opening in his country, the inflation rate dropped, although government spending did not go down. He said his country has made progress in relaxing tariffs, lowering the income tax, streamlining fiscal requirements, and lowering the value added tax. The most radical reductions, he noted, were reported in the area of farming subsidies. The delegates to the PBEC posed questions on different matters to the the heads of state during the presidents' forum.

International PBEC President Chen Fu Ku also spoke at this ceremony, highlighting Mexico's efforts in facing new international economic challenges with—as he put it—an unprecedented boldness on the part of President Carlos Salinas, which is well worth imitating. He invited the participants to take advantage of the opportunity and establish links with this rich country. This is what happened at the start of the PBEC meeting, which is scheduled to conclude on the night of 8 May.

[Anchorwoman Lolita Ayala] Can you tell us what important Mexican officials are attending the meeting?

[Garcia] Pedro Aspe, finance and public credit secretary, is here. He addressed the delegates at a lunch held at the Guadalajara State Palace of Justice, following the inauguration ceremony. Aspe gave an overview of Mexico's current economic outlook and spoke of the way our economy has gotten stronger.

At this time, Foreign Secretary Fernando Solana is hosting a dinner to welcome the delegates. Jaime Serra, commerce and industrial development secretary, is also expected to participate in the meeting.

Cuba

Castro Terms Relations With Spain 'Fair'

PA0705134991 Madrid EFE in Spanish 1644 GMT 6 May 91

[Text] Havana, 6 May (EFE)—Cuban President Fidel Castro termed Cuba's relations with Spain "fair" in a meeting with professors and students from the Madrid Complutense University, who delivered a replica of El Cid's sword to him in Havana. El Cid [Rodrigo Diaz de Vivar] was a medieval Spanish hero.

During a cordial meeting on 4 May that lasted for several hours, Castro said, according to those present, that current relations between Cuba and Spain are just "fair."

Castro stated his wish to travel to the land of his ancestors, Galicia, and explained that the blood ties between the two nations make Cuba closer to Spain than to any other European city [as received], therefore Spain's "errors" hurt more, he noted.

Castro also said, according to the Spanish university delegates, "We could never understand why Spain became a member of NATO, which is dominated by the United States. This upset us."

Nevertheless, he "did understand" when Spain became an EC member, "although we knew that it was not going to benefit Cuba or Latin America in any way."

The ceremony during which the sword was delivered took place on 4 May at the Revolutionary Palace in Havana. The foreign press was not invited and the local media did not publish any information on the ceremony, however, the International Relations Department of Havana University told EFE about the event.

The 110 Complutense University delegates traveled to Cuba on a semi-official tour. Although the tour was organized by Enrique Mugica, professor of the School of Political Science, he had the support of the Cuban authorities, through the Spanish Embassy in Cuba.

During the week-long stay in Havana, from where they returned to Madrid, the university delegates attended and participated in five conferences on Cuba, the Unites States, Spain, and the EC.

Commentary Views Cuban Emigre Issue

FL0805010091 Havana Radio Rebelde Network in Spanish 2300 GMT 7 May 91

[Lazaro Barredo commentary]

[Text] As I told you last week, there is a controversy in the United States among American officials and community cliques regarding the economic more than the political nature of the Cuban emigres. On 1 May, an old journalist, who was a member of the regime's clan during Batista's dictatorship, commented on this subject in a Miami newspaper. His main idea is summed up in this phrase: What is capitalism or a capitalist attitude? Is it not the generalized assurance of all types of plentiful material goods? Then, why stigmatize Cubans who are true to that mentality and who flee from hunger rather than from communism?

As you can see my friend, the labels are beginning to change. It turns out that the phantom of dissidence, which never was, is now turned into hunger. Cuban revolutionaries do not hide our difficulties. It is true that mainly because of the external situation and the criminal restrictions imposed by the United States, which block our access to free trade, we are facing serious deficiencies domestically and are having a difficult time standing in line. But it is also true that we are not experiencing the tragedy of hunger because the revolution is not allowing misery to hit our homes even under these exceptional economic circumstances. Our life is austere but minimum sustenance is provided even during these crucial times. We are not going to let up.

Cubans do not believe in the capitalist miracle makers as this old goose who dabbled in politics does. His opinion is based on (?headlines). But how can he disregard what the U.S. press or the same edition of this newspaper says about the social situation in the United States? We have to turn around the question, what is the use of the generalized assurance of plentiful material goods if certain problems are not solved in the United States? For example, one out of every eight children under 12 years of age—this was published by the MIAMI HERALD—do not have their food needs met. It is estimated that currently there are 5 million people who are classified as homeless. These people roam the streets without permanent shelter and jobs and live off charity.

What is the use of so much wealth if campaigns, such as the one underway in Miami for the Cancer Society to collect funds that would allow patients to be treated, have to be conducted? What is the use of so much wealth if the MIAMI HERALD editorial appearing in the same edition in which the old journalist wrote deals with the following dilemma for life in that country? The editorial literally says: Statistics show the alarming increase of crime in the United States of America from assault in the streets and on taxi drivers up to murders because of drugs or other reasons. This growing criminality is seriously affecting society. The editorial adds: Without any authority restricting the increase in crime, law-abiding people with justified anxiety, fear, and even in some instances panic, are abstaining from moving about freely because of the immense danger of assault, rape, or being wounded with a knife or a firearm which can result in immediate or eventual death.

The editorial also says that many people in the United States no longer feel free to walk down the street or to drive their car to visit friends or go shopping during certain times of the day because they do not want to face the danger of being attacked by criminals. The people do not feel free—says the editorial—to walk down the streets and, in many cases, even be safe in the privacy of

their own homes. This is why such tight security measures are being taken by installing security devices on windows and doors. This sense of danger is a serious threat to honest people and social peace. Here, I end quoting the editorial.

This is some society which brags so much. Certainly, I agree that the economic refugees should not be stigmatized. That hell is their paradise.

Health Cooperation Accord Signed With Ecuador

FL0705120491 Havana Tele Rebelde Network in Spanish 1000 GMT 7 May 91

[Text] It has been officially reported in Quito that Cuba and Ecuador have signed a cooperation agreement for scientific and technical development in the field of health. The agreement will be valid for three years. The Ecuadoran Ministry of Communications has stated that this agreement, signed on 11 March in Havana by Cuban and Ecuadoran health ministers, Julio Teja and Plutarco Naranjo respectively, and was published on 2 May in the official Ecuadoran newspaper. This agreement, which comes under the technical, economic, and scientific cooperation agreement signed by the Cuban and Ecuadoran Governments in October 1987, is intended to establish the bases for support and aid for jointly seeking appropriate solutions to health problems of mutual interest.

Vilma Espin Tours Las Tunas, Stresses Education

FL0805021091 Havana Radio Rebelde Network in Spanish 2300 GMT 7 May 91

[Text] Vilma Espin, member of the Communist Party of Cuba Politburo and president of the Federation of Cuban Women [FMC], is heading an FMC national secretariat delegation which began a visit to Las Tunas Province today and will continue until next Tuesday. During a preliminary meeting with the FMC provincial secretariat, Vilma Espin stressed the need to reinforce the role of the FMC, the family, and the family doctor to contribute to better educate young people.

During her three-day stay, Vilma Espin will tour social and economic projects in several municipalities and will inaugurate a child care center and a community polyclinic.

Crombet Attends Quality Control Conference

FL0705181091 Havana Tele Rebelde Network in Spanish 1700 GMT 7 May 91

[Text] The second scientific and technical conference on quality control began its working sessions at the Convention Center with an agenda that will last until tomorrow. This meeting, called "Quality 91," was opened with Jaime Crombet, the vice president of the Council of Ministers, and other government figures attending. Specialists from Latin America, the Caribbean, and in lesser number from other regions of the world, are also participating. "Quality 91" is the preamble to the meeting of the Council of the Pan-American Commission on Technical Standards, which will take place in Havana following this conference.

The conference was opened this morning by Ramon Darias Rodes, the minister president of the State Committee for Standardization.

[Begin Darias recording] As is known by all of us gathered together here, problems concerning quality hold a prominent place in the attention of governments and economic, industrial, scientific, and technical circles in the countries of the world, regardless of their level of development. For underdeveloped countries, and particularly for Latin America and the Caribbean, this importance is inseparably associated with their own national economies, through ensuring exports, because if we are not capable of producing the quality the international market demands, and in a stable way, we will not succeed in increasing and diversifying our exports of products and services in the context of the fierce struggle that is taking place in world trade, in which quality and price, among other [words indistinct] (?define the final results). [end recording]

Because of the high scientific and technical level of the participants, this conference has the potential to promote an analysis and an exchange of knowledge and experience in quality control and services, to our benefit.

Train Accident Investigation Results Reported

FL0705131891 Havana Tele Rebelde Network in Spanish 1100 GMT 7 May 91

[Text] The state investigating commission that was formed immediately after the tragic train accident that occurred on the morning of 6 April in Villa Clara Province has issued its conclusions after intense work to clarify the causes and other details of the accident in which 57 people lost their lives, 185 were injured, and the material losses were calculated at 1 million pesos. The commission was aided in its work by experts in the different railway specialties and from other organizations. Its conclusions were as follows.

The accident was caused by a defect in the cab of locomotive number 7494, the second train car, which caused the flange of one of its wheels to climb on top of the rail and subsequently fall on the outside of the rail 21 meters further on, causing the derailment. Although the train's speed was not recorded by the speedometer recorder, because this device was defective, it has been verified through various technical and electronic means and from testimony that the train was traveling at more than the regulation 80 km per hour.

The high speed at which the train was traveling when it derailed was also confirmed in interviews with passengers and the railway personnel who were working on board the train. The obvious attempt by the crew to misrepresent the train's speed was also exposed. The train speed contributed

decisively to the defect in the cab, which led to the derailment and subsequent overturning of the passenger coaches.

At a result of these facts, those directly responsible for the accident were put at the disposal of the appropriate authorities; that is, the members of the Havana coach and wagon inspection brigade, who through negligence said the cab was ready for use, and the machinist and driver of the train, for violation of the train's regulation speed. A case has been opened against these personnel to determine their individual criminal liability, in addition to their definitive discharge from the national railway system.

In spite of the enormous efforts and measures adopted by the Ministry of Transportation to fight indiscipline and raise safety levels, attitudes like these, violations, lack of rigorous standards, and other irregularities like the ones detected still occur. Thus, it was ordered that sanctions provided for in Decree Law 123 be applied to 12 other officials, managers, and workers of the Cuban Railway Union and the Western and Central Eastern Railway Divisions.

The report ends by saying that the Ministry of Transportation publicly thanks all those who made it possible to immediately aid the victims of this tragic accident, especially the medical and healthcare personnel of Santo Domingo Municipality and the city of Santa Clara for their painstaking care for the injured and their determined effort to save the lives of all the accident victims.

Haiti

Minister Establishes Brigades To Enforce Prices

FL0705203091 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 7 May 91

[Report on statement by Minister of Commerce and Industry Smarck Michel by unidentified correspondent; place, date not given—recorded]

[Excerpts] [passage omitted] [Correspondent] Haitian Minister of Commerce and Industry Smarck Michel said that as of 6 May a sack of rice must not be sold for more than $42 anywhere in Haiti. He urged the population to collaborate with him by watching for black marketeers. He has decided to establish appropriate brigades as of today to prevent black marketing.

[Michel] There is.... [changes thought] Large shipments of rice arrived in Cap Haitien, Jacmel, Gonaives, Saint Marc, several places in the countryside, Petit Goave, Miragoane, and Port-au-Prince last week. The rice that came into Port-au-Prince is sold for $42 on the wharf and 15 minutes later it is already being sold for $52 at the Rue du Quai. We intervened on the radio to announce the correct price but the situation continues. We must begin today to intervene more forcefully. Now we say that rice cannot be sold for more than $42 anywhere in the country because when we did our calculations the value of the dollar was at 62 percent, whereas the dollar is now at 45 percent. Rice may be sold for $38 on the wharfs and it must not be sold for more than $42 anywhere within the country.

Following this announcement, brigades will patrol throughout city. We ask people to help us by noting where a sack of rice is being sold for more that $42. Notify the ministry so we can send the brigades immediately. There will be brigades setting the price at $42 throughout city.

[Correspondent] Concerning the shortage of oil, Commerce Minister Smarck Michel said that there are three factories that must provide oil for public consumption. So, if these factories do not have stocks—and he thinks they do—they must put them at the public's disposal. He also thinks that if there are delayed ships, they must attempt to bring forward their arrival dates. In order to help the market, the Ministry of Commerce and Industry will put in an order for oil that should arrive in the country within 10 days. [passage omitted]

The minister added that the matter of reopening state-owned stores is being studied but he thinks many things have to be done and are being done. First of all, they are going to pay legal benefits to all employees who were temporarily released from duty in September. Then, with the assistance of many people, they will clean up all the storehouses and open other sales counters. Minister Michel finally announced that the first items the government will address are rice, oil, sugar, fertilizers, and agricultural tools. [passage omitted]

Preval Offers Recommendations on Peasants' Rights

FL0705210091 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 7 May 91

[Text] Prime Minister Rene Preval has written to the social affairs minister to offer several recommendations on peasants' rights. In his letter to the social affairs minister the prime minister says: One of the objectives of the government, as I stated in the declaration of general policy, is to achieve land reforms as stated in the 1987 Constitution. Such a measure has never been properly applied with the participation of the peasants, who are one of the cornerstones supporting the government. The peasants throughout the country must have the full right to organize themselves to develop this participation.

While expecting that the government amends some of the country's laws to further guarantee the association rights of the peasants, I ask you to take the necessary steps so that at the next general assembly of the International Organization of Labor [OIT] the government can sign Convention No. 141. This convention on the rights of workers living in the plains and the mountains allows the establishment of numerous organizations so they can participate in the economic and social development of their country.

Hoping that everything is going well. I patriotically salute you in the battle we are waging together to change our country.

Correction to Trade Agreement Topics

PA0605214791

The following correction pertains to the item headlined "Labor, Environment Not Trade Agreement Topics," published in the 6 May Latin America DAILY REPORT, page 7:

Page 8, column one, fourth full paragraph, only sentence, make read: The transition period may be stretched out as long as 10 years so as to avoid disruptions in certain sectors....(rewording)

* Navy, PGR Accused of Abuses in Drug Case

* No CNDH Action Taken

91CA0113A Mexico City PROCESO in Spanish No 753, 8 Apr 91 pp 14-17

[Report by Ignacio Ramirez]

[Text] "...That morning, as usual, we had gotten up very early. We said the pledge of allegiance to the flag and called the roll. There was no way we could imagine what was going to happen to us. It was all so unexpected. Without saying a word, leading with their weapons and fists, they began arresting us. Our misfortune began there."

The speaker is Gregorio Lara Ramirez, 50, married, six children, short of stature, dark-skinned. He is one of the 28 former members of the Mexican Navy who were arrested on 26 April 1990 in the Naval Military Sector and in Naval Infantry Company Number 27, headquartered in Matamoros, Tamaulipas, and who have been held since then in the Oriente Preventive Penitentiary in Mexico City on charges of criminal association and crimes against public health.

As a result of the torture to which he was subjected, he is now a diabetic and sexually dysfunctional. He and his companions were also forced to sign a discharge from the Navy. "Now I am defenseless on all sides," he says.

This is Lara Ramirez's account from his cell at the Oriente Penitentiary:

"They flew in, under the command of Jose Luis Munoz Mier, the director of Naval Infantry. Arriving with him was Corvette Captain Marco Antonio Sanchez Romero, the commander of Naval Infantry Company Number 9 and chief of the Naval Military Intelligence Service, the secret police of the then secretary, Mauricio Schleske. They locked us up in a bathroom, beaten, handcuffed, and blindfolded, until around 2200 on 26 April.... 'Hand over the drugs!' they kept shouting at us. What drugs? I had served 29 and ½ years and was a ship of the line lieutenant who was about to retire. Why was I going to get myself involved in that sort of thing?

"From there they took us to the local airport, and we were flown to Mexico City. We arrived early the next morning. We were held in a cell at Naval Infantry Company Number 9 in colonia [urban community] Agricola Oriental, while others were held in the basement of the Navy Secretariat. And then a few days later in the cells of the Office of the Attorney General of the Republic (PGR) on Lopez Street, where they made us sign statements and discharges from the service through all sorts of physical and mental torture.

"I was interned in Santa Marta Acatitla Hospital. There were meetings among the physicians, but they could not control my pain either with injections or painkillers. They operated on me, and I wound up sexually dysfunctional for life and a diabetic."

"To what or to whom do you attribute your arrest and that of your fellow servicemen?"

"To a maneuver by the former navy secretary, Mauricio Schleske Sanchez, to wash his hands in drug-trafficking matters. And the worst part is that the current secretary, Luis Carlos Ruano Angulo, is covering up our torturers in his administration."

According to the medical report from the director of the hospital at Santa Marta Acatitla Prison, Juan Altamirano Perez, Lara Ramirez was operated on on 18 May 1990 because he was suffering from gangrene of the testicles. "The prognosis is that this patient will die soon," he noted.

One of Lara Ramirez's torturers was Ship of the Line Lieutenant Raul Pazos Hernandez, who at the time was attached to the Service of Naval Justice and was among those who headed up the operation that assaulted and captured the Naval Military Sector and Naval Infantry Company Number 9 in Matamoros. He was an adviser to the then Secretary of the Navy, Mauricio Schleske Sanchez, and is now the private secretary of Admiral Ruano Angulo, the head of the secretariat, besides still running the Naval Club.

In a 10 September 1990 letter to Dr. Jorge Carpizo, the chairman of the National Human Rights Commission (CNDH), the 28 former seamen and officers of the Mexican Navy also accused, besides Schleske Sanchez, Vice Admiral Jose Luis Munoz Mier, who still heads the Naval Infantry; Corvette Captain Marco Antonio Sanchez Romero, the former Commander of Company Number 9 and former Chief of the Naval Military Intelligence Service; Gildardo Alarcon Lopez, the former chief of naval operations, who retired two weeks ago, and Ship of the Line Captain Guillermo Americo Garcia Ramos, the former chief of Alarcon Lopez's aides, among others.

On 3 July 1990, they filed a request for a writ of amparo in which they reported that they had been mistreated and tortured and that their human and military rights had been violated. They went so far as to blame the president of the republic as the ex officio commander of the Armed Forces, the attorney general of the republic, and the attorney general of military justice (PROCESO 716).

Chronology of a Tragedy

The events of 26 April 1990 can be reconstructed on the basis of the testimony and preliminary statements of the arrested men.

0600 hours: Second Mate Nestor Morales Escamilla was on duty at Servando Canales Airport in Matamoros. He saw three Mexican Navy aircraft land, one of them bearing registration MT-211, and members of the Naval Military Intelligence Service, camouflaged and with painted faces, get off carrying high-power weapons, FAL's, G3's, and Walters.

"They took us by surprise. I was handcuffed, blindfolded, and taken inside one of the planes, where they started beating me."

"If you do not cooperate, we have orders to kill you."

"They put a nylon bag over me and struck me with the butts of their guns. One of them put a pistol to my head and threatened that something worse was going to happen to my family; then I lost consciousness. When I came to, I was being taken in a Gamagol, a land combat vehicle equipped with radiocommunications gear, to Naval Infantry Company Number 27 and later to the Naval Military Sector of Matamoros."

0630 hours: No one move!

"That is how they came at us, pointing their weapons at us," said Second Mate Fausto Blanco Cruz.

Corporal Salvador Sanchez Gonzalez was on guard duty and managed to see them arrive in a convoy of several vehicles. "First they cordoned off the barracks and then they locked us up, some in the huts, others in a bathroom. They mistreated us all."

They had seaman Bulmaro Perez Cruz fall in in the yard along with others. "Then they took me out of the formation and handcuffed me. One pulled my hair and another struck me with his weapon. I was taken to the local airport, where they kept me with my feet and mouth bound."

0800 hours: By this time all of the detainees were at headquarters and in the bathroom of the Naval Military Sector, "with orders from above to make them disappear if they did not cooperate by admitting to drug trafficking."

"After they took everything off me," testified Rene Prieto Carlin, then a corvette captain, "they threatened to make me disappear. They pointed their weapons at me and plunged my head, covered by a hood, in a wash basin and then in a bucket of water. A half-hour later they drove me around for two hours in a station wagon, inflicting mental torture." The same thing happened to seaman Jacinto Casales Zurita, but in a trailer, where he was clubbed about the ears.

Enrique Hermida Martinez, who was then a corvette captain as well, was in the officers' wardroom when he was taken away. "They banged me against the wall to get me to say that I had been involved in drug deals. Then they took off my pants, doused me with water, and started giving me electric shocks on my private parts. When I did not confess, they put a pillow case over my head, adhesive tape over my mouth and mineral water up my nose."

1600 hours: Several detainees are taken to the local airport, some in Gamagols and others in Suburban station wagons. The others are transferred that evening.

0000 hours: The three Air Force planes take off from Matamoros airport on their way to Mexico City.

From 27 April to 8 May they were held incommunicado at Naval Infantry Company Number 9 on Canal de San Juan and Tezontle streets in colonia Agricola Oriental. On 9 May they were taken to the cells of the PGR on Lopez Street, where they remained until the 15th. From there they were taken to the Norte Preventive Penitentiary. On 17 May, the order to hold them in custody pending trial was issued.

In the Lopez Street cells the torture was administered by judicial agents of the institution, the detainees reported.

Here is the testimony of two men before the CNDH:

Former Corporal Nestor Leon Juarez: "At Naval Infantry Company Number 9 we were placed in rooms that were barely 3 by 3 meters. On the morning of 27 April they started beating us again, putting mineral water up our nose, and applying electric shocks, besides the blows from the weapons of the naval infantrymen."

Former Ship of the Line Lieutenant Dionisio Rodriguez Hernandez: "On 9 May we were sent to the PGR on Lopez Street, where we were held in cells that are known as 'separos.' We were tortured there too and forced to sign other statements before a person who said he was an agent of the Federal Public Ministry."

Status Unclear

Almost a year after the 28 seamen and officers of the Mexican Navy were detained, their legal status is still uncertain.

They were arrested without a court order. The writ of amparo they filed has not been ruled on. The eighth district criminal-court judge of the Federal District, Jose Luis Garcia Vasco, disqualified himself because the incidents took place outside his jurisdiction. The case file was sent to the fourth district court of Tamaulipas, whose seat is Matamoros, but no progress was made there either because the case belongs to a military jurisdiction. Therefore, it was brought before the nation's Supreme Court. The first division of the highest court in the land confirmed on 4 March that the military had jurisdiction.

"The matter should have been handled that way from the beginning," says the defense, headed by Luis Alonso Valverde, "but the Navy Secretariat washed its hands of

the matter by sending it to the federal courts, with the connivance of the PGR. The detainees' discharges from active duty are illegal, since they were coerced and were not signed by the appropriate authority. Besides, a court of honor would be required in the case of the seamen, or a court martial in the case of the officers. In addition, the defendants are in truly terrible physical condition, as they all fell sick because of the torture they were subjected to. They are suffering from otitis (painful hearing problems) because of the blows to their ears; the medical reports indicated other injuries as well, including traumatic etiology, multiple bruises, and ecchymosis. It is a miracle that Gregorio Lara Ramirez is alive. The Attorney General, Enrique Alvarez del Castillo; the former Navy Secretary, Mauricio Schleske Sanchez, and the current Secretary, Luis Carlos Ruano Angulo, have to answer for all this. And as if this were not enough, the National Human Rights Commission has not issued any recommendation on the case since September of last year. As a result, we are reporting the facts to the Human Rights Commission of the United Nations."

* Confessions Cited

91CA0113B Mexico City PROCESO in Spanish No 753, 8 Apr 91 p 14

[Report by Ignacio Ramirez]

[Text] According to lawsuit 58/90, which contains the grounds for the charges against the 28 former seamen and officers of the Mexican Navy, who are being held in the Oriente Preventive Penitentiary, they committed the crimes of criminal association and crimes against public health by transporting cocaine and marihuana, illegally bringing these narcotics into the country, and attempting to take cocaine out of country.

According to the statements attributed to them in the ministerial documents (they say that they were under physical and psychological pressure to sign them), they were involved in protecting drug deals and safeguarding drugs, for which they received up to $20,000.

They were ensnared by former seaman Rafael Olvera Lopez "El Raffles," former Second Mate Adolfo Alvarez, "El Borrado," and Arturo Samuel Cosay del Valle, "El Negro," the son of a former navy officer; these three furnished them high-power weaponry (including AK-47's) and various vehicles to transport the drugs. Ship of the Line Lieutenant Justino Padilla Gastelum, who at the time was the commander of Naval Infantry Company Number 27, headquartered in Matamoros, was their accomplice.

"There was a clandestine landing strip near Laguna Madre in the state of Tamaulipas," argued the prosecutor's office, "and light planes with shipments of cocaine from South America landed there. The defendants safeguarded them. The drug was taken from there in station wagons and trucks to places near Matamoros and the banks of the Rio Grande, to be brought into the United States. The marijuana was stored by the same individuals in a warehouse near Matamoros airport and then taken to the Las Rusias, El Quijano, and La Burrita ejidos along the border with the United States."

The prosecutor's version is complemented by the ministerial statements of the defendants:

Former Corporal Nestor Leon Juarez: "First Mate Rogelio Amezcua Gomez asked me if I wanted to make some easy money. I went with him to a house on 18th Street in Matamoros, along with Corvette Lieutenant Rene Prieto Carlin, First Mates Isidoro Hernandez Vargas and Gonzalo Farfan Chi, and Corporal Cesar Guesca Sosa. There, 'El Raffles' and 'El Negro' gave us weapons, and we got into a Suburban to guard the drug." Former Corvette Captain Cosme Garcia Garza: "Junior Officer Esteban Lagunas asked me to become involved. He was the one who introduced me to 'El Raffles.' Commander aircraft were arriving at the landing strip near Laguna Madre. One day as many as five landed, at intervals of 15 minutes. The last three times I got $13,000, $18,000, and $20,000." Former Ship of the Line Lieutenant Justino Padilla Gastelum, the then commander of Naval Infantry Company Number 27: "Corporal Nestor Leon Juarez remarked to me that I could make a lot of money. He left me with a wad of bills totaling $7,000, which I spent on family needs."

The judicial authorities conducted the corresponding ministerial inspections and testified about the buildings and vehicles used in the operations, among them an International tractor-trailer inside which 300 grams of cocaine were found; this became the physical evidence of the crime.

* Colima Candidate Selection Process Examined

* Contention Recounted

91CA0111A Mexico City PROCESO in Spanish No 752, 1 Apr 91 pp 6-7, 9-11

[Report by Francisco Ortiz Pinchetti]

[Text] Colima—PRI [Institutional Revolutionary Party] put on a phenomenal strip-tease act in Colima: it bared all.

It was an unforgettable, though at times, degrading spectacle. Trapped in its own game, the party wound up taking off all its clothes and paraded around naked on stage as the audience cheered.

Its charms could clearly be seen: the unsuccessful attempt at a "dedazo" [the practice of appointment "from above"], the manipulation of the internal selection process, the squandering of funds, the fraudulent maneuvers of the "raccoons" and the no less fraudulent actions of the antiraccoon brigades, the war of newspaper advertisements, the inability of the National Executive Committee (CEN) to deal with a situation that got out of control, the busing in of voters, the trimming of the voter rolls, ballot-box stuffing, work slowdowns, the

distribution of monthly stipends to newsmen (this time from up to five different sources), the discrepancy between statements and actions, and the overt manipulation and unannounced release of news bulletins.

At the show's climax, Deputy Socorro Diaz Palacios tossed off the last undergarment left, as in a letter she denounced the "abuses of power," the "irregularities observed during the internal contest," and the determination to build a "selective democracy."

Besides, it was all unexpected, because what had been announced was the staging of the popular work "selection of the candidate through consultation with the rank and file," which, as everyone knew, would conclude with the nomination of Socorro as the party's standard-bearer in the race for the state governorship.

The attempts by PRI's CEN, with all of its guile and resources, to bring the internal process to this happy ending were thwarted by local PRI members who, with all of their guile and resources, backed the mayor of this capital city, Carlos de la Madrid Virgen.

The primary election on Sunday 24 March was marked by an uncommonly large vote and by a slew of irregularities reported by both sides, most of them stemming from the shortcomings of the PRI voter rolls of almost 100,000 names. A little under 28,000 voters (not counting several thousand who were unable to vote) went to the polls throughout the state; this is proportionately about triple the number of voters at the Nuevo Leon primaries. Needless to say, the winner was De la Madrid Virgen by a margin of more than 4,000.

Juan Filigrana Castro, the undersecretary of regional coordination of the CEN, who was in charge of the primary process in Colima, gave this summation at the close of the contest:

"I feel that this has been a very important exercise for our country. It marks a new era in Mexican politics. There was a response from the people of Colima, there were passions on both sides, but it was the people of Colima who elected their own governor" (sic).

"Badgers" Versus "Raccoons"

The "election experts" whom the PRI CEN sent in to smooth the path to the nomination for the managing editor of EL DIA, came up against unusual obstacles in their efforts: they had to face off against their state colleagues.

Raccoons against badgers.

As a result of an alleged arithmetical error by the party's national leadership, the battle became polarized between two nomination hopefuls, one who was visibly supported from the center and the other who brought together local resistance to the "dedazo."

When the nomination process was opened to consultation with the rank and file, the PRI structure in Colima went for Carlos de la Madrid Virgen, whose bid for the nomination was backed by the partisans of two other hopefuls (the strongest ones, who were defeated straightaway): Carlos Vazquez Oldembourg and Roberto Anzar Martinez (PROCESO 749 and 751).

The preliminary campaign showed the CEN that it was faced with an emergency. It had to resort to strategies that would have been unnecessary if the traditional methods of selecting candidates had been chosen. Doctoring the voter rolls and discouraging participation were the only chance.

The experts brought in from the center encountered unforeseen difficulties, however. To begin with, the PRI voter rolls were a big joke. The presumed supporters listed there are one thing, and party activists are another. It was impossible to pinpoint the PRI voters so that the rolls could be "selectively" doctored by trimming or inflating them as needed.

According to the "Carlist" [De la Madrid Virgen] strategists, the CEN raccoons, headed by the famed "alchemist" Jorge Lara Flores, managed to inflate the rolls in favor of Socorro at several key polling places, which enabled them to garner an additional 6,000 votes.

"Most of the time we managed to detect these polling places and to neutralize the maneuver," said Miguel Acosta Garcia, who was Carlos de la Madrid's representative on the commission that reviewed the voter rolls.

Another tactic was to limit the number of polling places (just 50 through the state, where there are 317 electoral sectors); this forced voters, especially in the rural areas controlled by the "Carlists," to travel 50 km or more.

The local badgers countered this maneuver by carting in their partisans, a move that they had planned days before and in which the traditional structures for controlling the peasant and union organizations worked perfectly. Buses, flatbed trucks, station wagons, taxis, and even motorcycles were used for this purpose. In Manzanillo, the operation offset the overt involvement of state CROM [Regional Confederation of Mexican Workers] leader Cecilio Lepe Bautista in favor of Socorro.

A novel sort of "landing exercise" was even seen in the port, as some 30 navy men, wearing spotless white uniforms and even caps, were brought in to vote at several polling places on two navy buses.

In the manner of Operation "Raton Loco" in Coahuila last October, the CEN experts also resorted to mislocating the polling places to discourage voting. The lists in question were not published until the day before the primary and were as confusing as possible, with no specific indication of the address of the polling places, as well as duplications and omissions.

Trained in tactics that they themselves have engaged in constitutional elections, the "Carlists" got the jump on them, determined the exact location of the polling places, and were largely successful in directing their supporters to them.

It was a fine one-on-one contest between "gypsies." And in the end the badgers defeated the raccoons, as the evening edition of ECOS DEL PACIFICO stated boldly in its headline.

The decisive factor was the heavy turnout, which PRI's CEN had not anticipated. It was a large, enthusiastic, and excited turnout. "We expected some 15,000, but twice that many voted," one of the experts confided. It sunk Socorro's cause.

It was discovered that the trimming of the voter rolls (which were flawed from the start) hurt the supporters of the deputy and of the mayor-on-leave equally. Each team accused the other of the tactic. Outside the polling places, women dressed in white (Carlos' color) signed up the "Carlists" who were not allowed to vote. Women dressed in green, wearing stickers with Socorro Diaz's name or the Socorro emblem of the Green Wave on their chests, angrily protested the exclusion of their partisans.

All of this took place under a burning sun, near long lines of voters, and in many cases amid chaos, as happened at the polling place in colonia [urban community] Placetas, where the editor of EL DIA herself voted.

Just minutes before, the secretary of regional coordination of PRI's CEN, Manuel Gurria Ordonez, "El Exquisito," had told newsmen there, amid the din of shouts, protests, and shoving, that the primary election was "a complete success."

"How can you speak of success amid this disorder?" asked one reporter.

"What disorder?" he replied amid the shoving...and the laughter.

Of course this was not Gurria Ordonez's only blooper. The day before, at the press conference on the 23d, he flew off the handle when reporters hounded him about the reports of inaccuracies in the voter rolls. "Those are exceptions," he repeatedly angrily. "Those are exceptions." In his exasperation he pounded the table and, some minutes later, abruptly cut short the conference and stormed out of the press room.

The "exceptions" of which he spoke involved at least 30 percent of those who went to the polls, according to the estimates of both headquarters.

The executive secretary of De La Madrid Virgen's campaign, Evaristo Valdovinos Licea, spoke out against other irregularities. In an official internal memo on election day to Filigrana Castro, the head of the CEN mentioned, among other things, that at the La Estancia polling place "individuals who are wearing Green Wave identification are stuffing wads of ballots into the boxes" and that "the people in charge of the polling places are giving two ballots to voters who express their support for Deputy Socorro Diaz."

He also noted that "it has been verified that citizens Pedro Virgen and Adolfo Virgen (well known Socorro backers) are openly handing out membership cards outside the polling place to supporters wearing a Green Wave sticker." Socorro Diaz propaganda was handed out in Armeria. In colonia Placetas a clearly marked loudspeaker truck was campaigning for her.

In Villa de Alvarez, the chairwoman of the State Steering Committee, state congresswoman Ramona Carbajal Cardenas, admitted that she was "confused and surprised" by the irregularities in the PRI rolls. "There was an affiliation center here, and we know of people who were registered and are not showing up now. We do not know what happened."

Nonetheless, except for the problems with the voter rolls and the considerable mutual mistrust, irregularities were not widespread. At various polling places the voting took place in a relatively orderly manner, albeit slowly. Voters had to show the copy of their registration in the federal list of voters and appear on the PRI rolls or present their membership card.

Governor Elias Zamora Verduzco cast his ballot early. When asked upon leaving how he had voted, he explained that both Socorro and Carlos are friends of his and that it would be unwise of him to vote for either. "I voted for a former governor, Mr. Pablo Silva Garcia, a man who deserves my complete respect and who is currently ill," he said.

Raul Sinobas, LA AFICION's correspondent, then asked this barbed question:

"Does this mean, Mr. Governor, that you are in favor of re-election?"

The governor's reply, if there was one, was lost amid the shouting.

The Phantom Bulletin

In spite of the agreement that the two nomination seekers would remain at PRI state headquarters on election day, Socorro Diaz chose to stay home. There she monitored the progress of the voting and received preliminary reports. Around 1300 the reports seemed clearly favorable to her cause, as she was getting more than two-thirds of the vote, according to her aides. As late as 1800, three hours after voting had stopped at most of the polling places, they were talking about a two or three point edge for Socorro.

Around that time, a tent and sound equipment were set up in San Francisco gardens to celebrate her victory that very night.

The "Carlists," for their part, began congregating in Hidalgo gardens near downtown. From there they marched at 1900 to PRI's CDE [expansion not given] to celebrate victory as well. They rushed into the building triumphantly, waving white banners, cheering Carlos de la Madrid, and chanting "Colima is not Nuevo Leon!"

The preliminary results leaked around that time (2000 hours) by PRI members in both bands, were already pointing clearly to a De la Madrid victory by more than 4,000 votes.

There was no turning back now.

An urgent meeting was called in Gurria Ordonez's suite in the Hotel America. Both candidates were there, as well as the secretary of electoral action of the CEN, Cesar Augusto Santiago, "Merlin"; Juan FIligrana Castro, and a little later, Governor Zamora Verduzco. The state chairman of PRI, Rigoberto Salazar, was also called in later. The closed-door meeting was tortuous and protracted. Socorro Diaz was reluctant to accept her defeat, as the two candidates had agreed to in writing previously. No one could convince her not to challenge the election and to voice her public support for De la Madrid Virgen. Calls to and from Mexico City did not sway her either.

Meanwhile, in the press room set up in the Maria Isabel Hotel, a swarm of correspondents from the Mexico City media and local reporters were waiting for the press conference that had originally been scheduled for 2000 and at which the preliminary results would be officially reported. 2100. Jose Luis Gutierrez Anaya, the undersecretary of information of the CEN, confirmed that it would be at 2200. 2200. 2300. Gutierrez Anaya then said: "It will be at midnight. Definitely. For sure."

The reason for the delay, as was confirmed later, was not that they were waiting for the results, which were known unofficially at 2100. It was the pushing and shoving at the Hotel America.

At 2305, Isabel Zamorano, the correspondent from EL UNIVERSAL, contacted her paper to report the delay in the press conference. Her boss almost fired her. An hour before, the editorial office had received a telex of the CEN bulletin reporting on the conference, the official statements, and Carlos de la Madrid's victory.

"My fellow reporters!" shouted Isabel Zamorano from one end of the press room, telephone in hand. "I want to inform you that the bulletin about the press conference that we are waiting for has already been distributed in Mexico City."

Bedlam.

"And they are keeping us here like idiots," someone shouted. "The last straw. What disrespect," another said. "Disrespect nothing; it is an outrage," someone else added. And they took after a pale-looking Gutierrez Anaya like hornets, as he picked up another phone at the other end of the room. He called the office of his boss, Rafael Resendiz, in Mexico City. Without hanging up, he reported: "It is untrue. The CEN has not sent any bulletin. They are confirming it for me."

"Are you telling me that my editor is lying," retorted a furious Isabel Zamorano from the other side of the room.

"That is what they are telling me," an upset-looking Gutierrez Anaya remarked. "There is no bulletin. The people at the source know that all of our bulletins go out on letterhead. Who knows where that one came from."

"Sending letterhead by telex would be stupid," one reporter said sarcastically.

"Oh, it was a telex?" asked the CEN official, cornered.

The EL UNIVERSAL correspondent asked her paper to fax the famous telex to the press room. Crowded around the machine, the angry journalists waited for it to emerge. The line was cut off twice, thrice. Finally the text emerged, and reporter Raul Sinobas read it aloud amid laughter and cussing from the audience.

"Within the framework of the transparent, democratic process that has demonstrated the strength and vitality of PRI in selecting its candidates...."

Copies for all. All went off to check. The bulletin had also been sent to LA PRENSA, EXCELSIOR, EL FINANCIERO, EL SOL DE MEXICO, LA AFICION.... It was unquestionably a CEN bulletin; the mark (PRIME) and its telex number were on the dispatch.

Gutierrez Anaya said nothing.

He came back at 2355. "We have been unable to find out anything about the bulletin," he said, "because there is no one at the CEN offices. It will have to wait until tomorrow." He reported that "in a few minutes" the officials would be there to conduct the historic press conference. "They are on their way. They left behind me."

They did arrive, but 45 minutes later. The newsmen received Gurria Ordonez, Santiago, and Salazar with whistles and jeers, and the faces of the officials, someone noted, were not exactly beaming at the triumph of democracy.

Former governor Francisco Velasco Curiel, the chairman of the Vote Count Commission, read a terse 19-line report which stated that 27,969 PRI members had voted, 28 percent of registered voters. Carlos de la Madrid won with 57.7 percent of the vote, against 42.3 percent for Socorro Diaz; he did not give a breakdown of the figures.

The questions began when Socorro Diaz's letter to the people of Colima started circulating among the reporters. In it she denounced the abuses of power, the election irregularities, and the determination to build a "selective democracy" in Mexico. A bombshell.

A pale, stammering Cesar Augusto Santiago said that he knew nothing about the phantom bulletin. "That is not my area. That pertains to the Secretariat of Information." He also said that he knew nothing about the reported irregularities. Nothing about Socorro Diaz's letter, which a reporter put on the desk in front of him. Nothing about nothing.

The PRI spokesmen walked out of the press room amid jeers and even raspberries, the tables having been covered with copies of Socorro Diaz's letter, in the final paragraph of which she asks her supporters "to remain calm and keep up their civic spirit, their determination to be involved, their desire for change, their struggle for development with social welfare." Before signing her name, the federal deputy wrote in longhand: "Colima and Mexico come first."

The counterpart to the reporters' justified outrage was the proliferation of monthly stipends handed out to more than a few correspondents from the "national" media. Aside from the half "melon" per capita handed out by PRI's CEN and the half "melon" provided by the state government, this time there was "consideration" from PRI's CDE and from the teams of the two candidates, who invited in their own press representatives. What a feast.

"Look," one happy reporter said, displaying his thick wallet. "You cannot even fold it."

There were also "supported" articles, spreads and "gacetillas" [payments made to editors of journalists for the placement of particular press items] in almost all of the Mexico City newspapers.

On the day after the election the local press was full of spreads supporting Carlos de la Madrid, in the finest PRI tradition. There was one remarkable one, whose "4,365" signatories filled five pages in the major papers. Titled "Thank you Mr. President!" and addressed to Carlos Salinas de Gortari, it said: "The women of the state of Colima who are members of PRI thank you for your direct (sic) involvement, because thanks to the democratic process the vote of the people has been respected."

Socorro Diaz shut herself in tight. She repeatedly refused to receive the reporters who went to her home for an interview.

On Tuesday the 26th, the day that the national president of PRI, Luis Donaldo Colosio Murrieta, swore in Carlos de la Madrid as the PRI candidate at a ceremony scheduled for 1800, the deputy and former candidate received other visitors. At 1300 Juan Filigrana Castro arrived; he was received right away. At 1310, Oscar Navarro Garate, a federal deputy from Jalisco and the coordinator of Colosio Murrieta's travel schedule, arrived. They both spent 20 minutes with Socorro Diaz. The objective: to convince her to attend the ceremony that evening, thereby legitimizing the election that she had challenged.

Mission impossible.

It was past 1430 when Socorro drove off in one of the two Suburban station wagons that she has available to Jesus Bayardo's San German Ranch on the outskirts of Colima along the road to Tecoman. There she attended a farewell lunch at which she thanked her campaign workers.

Her attitude towards the election was regarded as "understandable, though not justified" by the victor, Carlos de la Madrid, in an interview. "I think that it was a momentary attitude, a normal way of letting off steam, but I think that being a mature, intelligent woman with great political experience and a PRI member through and through, she will come to acknowledge that things were handled properly."

"Could what she did be regarded as an act of insubordination in the party?"

"I do not think that it was insubordination. It would be improper for the party to take drastic action against such attitudes. There is freedom in the party; within a context of discipline there is a degree of freedom."

The PRI festivities at which De la Madrid became the official gubernatorial candidate, the final scene of the internal battle, were a repeat of the traditional noisy pomp. The banners, the rattles, the busfuls of guests, the bands, the ticker tape, and the rehearsed political claques. With one significant difference: there was truly enthusiastic involvement among the members of PRI. Plus their anger, which they expressed in a deafening whistle, at state leader Rigoberto Salazar, who has been fingered as a clear-cut Socorro backer.

There in the crowded gymnasium, a sweating Luis Donaldo Colosio said at the climax of his speech:

"We have shown that the process of transforming PRI is proceeding in earnest. Ours is a party of polemics; our party, the new PRI, is the one that is setting in motion a process of authentic debate. Democracy has been the winner here."

* Diaz on Future Prospects

91CA0111B Mexico City PROCESO in Spanish No 752, 1 Apr 91 p 6

[Report by Francisco Ortiz Pinchetti]

[Text] Colima—"I am not going to accept condolences, because no one has died on me," said Socorro Diaz Palacios in the living room of her home 12 hours after her defeat in the PRI [Institutional Revolutionary Party] primary was officially reported.

For nine years now, ever since she was elected senator from her home state, she has entertained the idea of becoming governor of Colima. She reaffirmed her hopes three years ago, when her friend Carlos Salinas de Gortari became president of the republic, and she, as a federal deputy, chaired the stormy congressional session at which power was transferred. She handed the presidential sash to Salinas.

Socorro Diaz, who is also the managing editor of the newspaper EL DIA, devoted almost a year to her campaign for the gubernatorial nomination. She put together a team and invested time and effort. "Money no, because neither I nor my friends have any."

She failed. She was defeated by Carlos de la Madrid Virgen, the mayor of Colima on leave, in a primary election that she has challenged.

"After this election I must acknowledge objectively that the road has been closed to me in Colima," she said in her only official statement after her defeat, aside from the letter that she made public on the night of the PRI primary. "But Colima," she added with a smile, "is not the only road that I have. I have very broad roads and, in truth, various wide horizons through the republic. I think so."

The 40-year old lawmaker had this to say about her plans:

"For the time being, over the next few days I am going to take the opportunity to do a lot of reading, a lot of sleeping, a lot of thinking. To rest a bit too and to plan my immediate future."

With a gesture of relief she added: "Now I am off to the ocean, to swim a little, to fish."

* Diaz Letter

91CA0111C Mexico City EL DIA in Spanish
25 Mar 91 p 1

[Text of undated letter by Federal Deputy Socorro Diaz Palacios to the people of Colima]

[Text] To the People of Colima:

An experiment having to do with the Mexican people's desire for democracy and liberty concluded yesterday in our state.

The willingness to participate demonstrated by the widest range of social groups proves that the people of Colima are prepared for democracy.

The abuses of power, the irregularities observed during the internal contest, the obvious determination to build in practice a "selective democracy" reveal to us the fact that this historic struggle is not won or lost in one battle. Much hard work has been done; much more remains to be done henceforth.

I thank the people of Colima who have supported me, especially those who have the least. To them I reaffirm my deepest affection.

Today as always, my public career is permanently linked to the values and hopes of the people of Colima.

I ask them to remain calm and to keep up their civic spirit, their determination to be involved, their desire for change, their struggle for development with social welfare.

[in longhand] Colima and Mexico come first.

Sincerely,

[signature] Socorro Diaz Palacios

El Salvador

Guerrilla Leader Says End of War May Be Near

PA0805000091 Paris AFP in Spanish 2159 GMT 7 May 91

[Text] San Salvador, 7 May (AFP)—A ranking Salvadoran urban guerrilla leader said today that the 11-year-old civil war has entered the "outcome and transition to democracy" phase, although he did not dismiss the possibility of an intensification of armed actions.

There could be increased confrontations during this new phase if the forces opposed to the negotiation maintain radical positions, Commander "Lito" told AFP by telephone. "Lito" is one of the Farabundo Marti National Liberation Front's (FMLN) top urban commando leaders.

"If the army and the government believe that the FMLN is weak, they are mistaken," the guerrilla leader warned, adding that "the best battle will be in the political arena."

Nevertheless, "we will respond militarily to the army's desperate efforts to recover zones under [FMLN] control, a task it has failed to accomplish in 11 years," he said.

The guerrilla leader explained that the massive sabotaging of electrical services, which over the past few weeks has forced the widespread rationing of power throughout the country, is aimed at exerting pressure on the government and the military to respect and enforce "real" agreements that will democratize Salvadoran society and finalize the war, which has taken approximately 75,000 lives.

According to the rebel leader, the large scale counterinsurgency operations the army is currently conducting in "areas liberated" by the FMLN counter the interests of most Salvadorans, who have stated their desire for the country to achieve democratic participation.

On 6 May, Defense Minister General Rene Emilio Ponce urged the FMLN to sign the cease-fire in the second half of May when the peace talks will continue.

Ponce said that the government has already yielded by supporting constitutional reforms during the round of negotiations held between 4 and 27 April in Mexico, but he said that a cease-fire agreement will be a prerequisite for the reforms' ratification by congress.

Ponce also warned that "if the FMLN wants to defeat the Armed Forces, it must do so on the battle field, but it must not attempt to destroy the institution with a magical flick of a pen."

During the forthcoming round of negotiations, the topics on the agenda will be—in addition to the cease-fire—the Armed Force's reorganization and the opening of democratic opportunities that will allow the FMLN to come down from the mountains and join civilian life.

According to "Lito," to make the cease-fire a condition for the legal reforms to be approved, reflects the government's and army's "lack of good will" in the negotiations.

Political sources close to the talks said today that mediator Alvaro de Soto, the UN Secretary General's representative, will arrive in San Salvador within the next few hours to prepare the new round of talks, which may be held in Spain.

Cristiani Speaks to Troops on Soldier's Day

PA0805022891 San Salvador Radio Cadena YSU in Spanish 1800 GMT 7 May 91

["Excerpt" of speech by President Alfredo Cristiani on the occasion of Salvadoran Soldier's Day at the Captain General Gerardo Barrios Military Academy in San Salvador on 7 May—recorded]

[Text] We have shown flexibility and wisdom at the negotiating table and we have never tried to impose defeat on anyone, but this should not be considered as weakness, much less a surrender. Also, we are clearly aware that the firm and stable peace we hope to attain is only possible based on the most strict respect for a democratic institutionality and human rights. The Salvadoran people must be the only victors in the peace process.

It is important to emphasize that we have never doubted the Armed Forces' legitimate existence, and this was clearly stated in the agreements signed in Mexico City. We feel that the constitutional amendments approved by the previous Legislative Assembly, and subject to the new Legislative Assembly's ratification, represent a substantial contribution to the peace process and give a positive outlook to the Salvadoran family's reconciliation. This is a goal we will never give up.

We think that the constitutional amendments respond correctly to the need to quantitatively and qualitatively improve the Armed Forces. They also call for the improvement of the management of justice, the electoral process, and other state institutions. The dynamics of history impose changes on public institutions and all human enterprises. A nation must modernize its organizations to avoid becoming obsolete and hindering development.

Messrs., members of the Armed Forces, we wish to recognize the sacrifice and heroism shown by you throughout the conflict—particularly the institution's abidance by the democratic process and the search for peace through political channels. On the occasion of Salvadoran soldier's day, we wish to emphatically reassert that our armed forces are, and will continue to be, the only armed branch of the Salvadoran people. Its institutional reorganization responds to the goals and the need to achieve higher degrees of technical finesse and professionalization for its members, within the framework of a society that seeks to reorganize its institutions in a democratic way and to strengthen our homeland's peace, progress, and freedom. Salvadoran soldiers, may God always bless you. Thank you. [applause]

Clandestine: Cristiani 'Serving Three Masters'

PA0705151791 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 5 May 91

[Station commentary: "The Power Behind the Throne"]

[Text] The failure to comply with the agreements on constitutional reform has revealed Cristiani to be a president who has lost authority within his government, his own party, and in the military garrisons. Since Cristiani is unable to guarantee compliance with the Mexico agreements on the judicial and electoral systems, everyone is asking whether the president will be able to comply with the agreements on the Armed Forces and on a cease-fire.

The distortion of the agreements by the deputies from Arena [Nationalist Republican Alliance] demonstrates that there is a power behind the presidential throne. Cristiani is serving three masters, at least . First, the president is submissive to the sabotaging efforts of the members of the Military High Command, who can no longer evade the fact that they are the main targets of the negotiation, but who are still laughing unconcerned at the suggestion of subordination of the Armed Forces to civilian authority.

Second, Cristiani is paying homage to a party which, at heart, is opposed to the negotiations and dreams of maintaining the current state of injustice and militarization.

Third, Cristiani has firmly associated himself with the obstinate U.S. policy of acting as an international policeman. That imperialist policy is seeking to obtain, at the negotiating table, the surrender of the Farabundo Marti National Liberation Front [FMLN], a desire that it has failed to fulfill after all these years of war, despite the $4.5 billion that has been spent.

Mr. Cristiani should at least listen to the assessment of the United Nations, which has also maintained that the Arena government has failed to comply with the Mexico agreements.

Gentlemen: The FMLN believes that the war in which Salvadoran blood is being shed daily is not a child's game with arbitrary rules. If you do not want to negotiate or comply with the political agreements that come from the negotiations, you should state this openly and without demagoguery before the nation and the concert of nations, and stop using the negotiations and the efforts of the United Nations as a means of masking your death squad and its antinational face.

Guatemala

* 1990 Budget Deficit of 858 Million Quetzales

91CA0107A Guatemala City SIGLO VEINTIUNO in Spanish 19 Mar 91 p 12

[Article by Rene Arturo Orellana

[Text] Although the central government's total revenue has risen during the past 11 years [see table] from 749 million quetzales in 1980 to 2.743 billion quetzales in 1990 in terms of current quetzales including inflation, spending during the same period has increased from 1.117 billion quetzales to 3.601 billion quetzales, creating 1990 budgetary and treasury deficits of 858 million and 368 million quetzales respectively, the highest for the period 1980-90. The period spans three Administrations of different ideologies—Lucas Garcia's, the Military or de facto, and Cerezo Arevalo's—all of which spent in excess of the national Treasury's revenues, a practice that is contrary to the principles of sound fiscal policy.

Guatemala: Central Government's Receipts, Expenditures, Budgetary Deficit - 1980-1990
(in millions of quetzales for each year)

Administration	Lucas Garcia		Military (de facto)				Cerezo Arevalo				
Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990*
Total receipts**	749	742	731	735	669	867	1,467	1858	2,299	2,434	2,743
Total expenditures	1,117	1,380	1,142	1,094	1,019	1,040	1,664	2,147	2,584	3,131	3,601
Deficit	368	638	411	359	350	173	197	289	285	697	858
Deficit as percentage of GDP***	4.7	7.4	4.7	4.0	3.7	1.5	1.2	1.6	1.4	2.9	2.5

* Preliminary figures as of 7 February 1991.

** Includes grants in aid.

*** Gross Dometic Product

Source: Author's own compilation from Bank of Guatemala and Ministry of Finance data.

During the five-year period 1980-84, the deficit averaged 425 million quetzales, dropping to 328 million quetzales for the period 1985-89, despite the sudden surge of the 1989 deficit to 697 million quetzales for the year, a figure that is still 18.8 percent lower than the one for 1990.

The reference period 1980-1990 was marked by the fact that the central government's receipts were never sufficient to cover its spending. The extent of coverage varied from approximately 53.8 percent in 1981 to 89.0 percent in 1988, thus producing a chronic deficit. Inflation is

seriously affecting not only the population but also the public spending plan, in that it cannot be offset by increasing revenues to support its growth.

Average revenue for the first five-year period beginning in 1980, covered 63.0 percent of spending for the period, and 84.5 percent for the second five-year period. This coverage dropped to 76.2 percent in 1990.

Revenue growth rates ranged from 0.5 percent in 1983 to 69.2 percent in 1986, with negative rates for the years 1981, 1982, and 1984. Only the years 1982-84 posted lower year-to-year spending levels with respect to the preceding year. For the period being studied here, these decreases ranged from a low of 4.2 percent in 1983 to a high of 17.2 percent in 1982. Increases for the same period ranged between 2.1 percent in 1985 and 59.8 percent in 1986.

The budgetary deficit posted decreases during the years 1982-85 and 1988 ranging from 1.4 percent in 1988 to 50.6 percent in 1985. Deficit increases during the other years of the period ranged from a low of 14.0 percent in 1986 to a high of 144.6 percent in 1989.

From 1984 to 1988, there was a narrowing of the gap between receipts and expenditures, thus lowering the national deficit. But this trend reversed its direction in 1988 and the gap resumed widening into 1990.

In 1980, the deficit amounted to 4.7 percent of the gross domestic product [GDP], at current prices. This ratio dropped to 2.5 percent in 1990. The average of this ratio ran 8.4 percent for the five years 1980-84, dropping to 1.7 percent for the succeeding five-year period.

If the load the 1980 fiscal deficit represented for the country had been distributed among the entire population, each inhabitant would theoretically have had to finance the sum of 50.00 quetzales. In 1990, this figure would have almost doubled to 93.28 quetzales. The per capita deficit dropped from 46.26 quetzales for the first half of the 1980's to 38.17 quetzales for the second half.

Although total revenue last year rose 12.7 percent, spending rose faster, at the rate of 15.0 percent, generating a budgetary deficit in excess of 23.1 percent.

Tax receipts (direct and indirect taxes) and nontax revenues (earnings of state-owned enterprises, pension funds, transfers to the public sector, and miscellaneous receipts), together, rose 18.7 percent, while grants in aid were reduced by half. Operating costs (salaries, equipment and supplies, interest on public debt, and transfer payments) rose by 23.2 percent, while capital expenditures (direct investments in construction projects, purchase of machinery, equipment, and supplies, and transfers) dropped by 11.3 percent.

The 1990 budget deficit of 858 million quetzales was financed to the extent of 345 million quetzales (40.2 percent) by domestic debt (bond issue), and by foreign debt in the amount of 127 million quetzales (14.8 percent), totaling 472 million quetzales, or 55 percent of the total deficit, and leaving a treasury deficit of 386 million quetzales, or 45 percent of the total. Lacking the further resources needed to cover the remaining deficit, the Administration palliated it by creating short-term debt amounting to 305 million quetzales, or 35.5 percent of the total budgetary deficit, in the form of bills payable during 1991, and obligating government deposits in the banking system to the extent of 82 million quetzales for the remaining 9.5 percent of the total 858-million-quetzales deficit.

The situation described thus far, combined with the lowering of the tax rate, the shutting off of foreign sources of financing, and the excessively high inflation rate, which was 60.0 percent last year, a rate that internationally is considered "high," has led to deterioration in the providing of public services, such as health care and education, and to the destruction and abandonment of the economic infrastructure needed to support productive activities. Considering that both the population of the country and its government are now enmeshed in the snare of poverty, the current government of the Republic, presided by engineer Jorge Serrano Elias, must now resolve this state of things left by the Christian Democratic administration, through effective measures designed to put our precarious economy on a sound footing. Failure to do so will cast a pall of uncertainty over our outlook for the first half of the decade of the 90's, on which we are now embarked.

* Nationwide 400,000 Housing Units Required

91CA0107D Guatemala City SIGLO VEINTIUNO in Spanish 23 Mar 91 p 10

[Interview with the president of the Central American Housing Association [Acenvi], Homero Gonzales Barillas, by correspondent Tulio Juarez; place and date not given]

[Text] In our country, more than 700,000 family units lack a "roof of their own." Meanwhile, the demand for low-cost housing is increasing at the rate of 35,000 units annually, indicating that, gradually, this "problem" is tending to grow.

This worrisome situation is the subject of national as well as regional studies and of program implementations by institutions such as the Central American Housing Association [Acenvi], which has now joined the Inter-American Housing Union.

In Guatemala, the Insured Mortgage Promotion Fund [FHA] fulfills an important role in the search for solutions to the housing crisis. Lawyer Homero Gonzalez Barillas serves as president of Acenvi and is therefore an authoritative voice with respect to this issue of international importance.

[Juarez] What is Guatemala's real situation in this regard?

[Gonzalez] To meet the need of homeless Guatemalan families, some 20,000 units must be built in the near

term. Approximately 74 percent of these are needed in urban areas, and the remaining 26 percent in rural areas.

This means that the immediate need is for 14,800 units in urban centers, and 5,200 units in rural areas. In addition, however, to provide adequate housing for families that are currently living in single rooms of blockhouses (pigeon lofts), and shanties and improvised shelters (mud and thatch huts), would require approximately a further 376,000 units. Of these, 26 percent (97,760 units) are needed in urban areas, and the remaining 74 percent (278,240 units) in rural areas.

[Juarez] Has an estimate been made of the required monetary investment?

[Gonzalez] To build approximately 400,000 housing units, large-scale financing will be needed, on the supply side as well as the demand side. The productive apparatus will need to be supported in such a way as to enable it to generate an adequate volume of units tightly geared to an annual production program that meets our technical needs:

- Primarily, this annual program must satisfy, on the one hand, the accumulated shortage, and on the other hand, the shortage being generated by the vegetative growth of families (approximately 25,000 a year).

- In addition, on the demand side, access to consumer housing loans must be provided, enabling families to purchase, and consequently to pay the resultant financial obligations of housing.

- Based on an average cost of $5,000 per unit, the total cost would be $2 billion, an amount that we could not possibly raise. However, a well-planned annual production program, and the instituting of mechanisms for the recycling of funds, would enable us to approach the problem with less initial funding.

[Juarez] How many housing units are there in the country according to the latest census?

[Gonzalez] According to the national sociodemographic survey conducted by the National Statistics Institute [INE], the country's more than 9 million inhabitants constitute more than 1.7 million family units, 38 percent of whom live in urban centers, and 62 percent in rural areas.

To house those family units, the country has a total of 1,591,288 dwellings. The differential between the number of family units and the number of dwellings gives us the approximate numerical housing shortage of over 20,000 units that we mentioned initially.

It must be considered, however, that the INE defines a "dwelling" as "any fixed or mobile shelter that has been built to house persons." This gives us our second estimated shortage of 1,591,288 "shelters", from a qualitative standpoint.

Thus, if we want to satisfy the housing needs of families that lack ordinary housing, we would have to build 375,687 units, 26 percent in urban areas and 74 percent in rural areas.

On the other hand, if we consider the types of tenancies provided by the existing housing units to the families occupying them and the sizes of families, we have the situation shown in the following table:

Number of Households in Guatemala by Types of Tenancy Under Which They Occupy Housing Units, and by Size of Household

Size of Household (Persons)	Total	Rented	Paying in Installments	Owned by Tenant	Transferred	Other
1	56,162	11,148	740	34,763	185,239	1,480
2	127,248	27,673	1,765	77,832	17,231	2,747
3-4	443,266	86,096	16,736	272,583	59,456	8,395
5-6	508,391	70,160	24,882	345,899	54,459	7,991
7-9	383,869	28,967	13,993	301,689	32,806	6,414
10 and over	92,068	7,134	1,989	73,051	8,266	1,628
Total	1,610,994	231,178	60,105	1,105,817	185,239	28,665

[Juarez] And what would be the ideal?

[Gonzalez] Based on the ideal of providing each household with a home of its own, we have another approximation of the housing shortage, in that, the 231,178 families now living in rented property—78 percent in urban areas, and 22 percent in rural areas—would become potential buyers.

However, as an additional aspect of the qualitative shortage, we must consider the inability of existing housing to provide families with convenient, comfortable, secure, and healthful conditions in which to continue living at their present economic levels. This poses a problem that in our national case is a very sizable one to overcome.

And this is because at present, only 5 percent of dwellings satisfy the families occupying them, 20 percent of dwellings have only one room, 10 percent have four rooms, and 10 percent consists of houses with more than four rooms. This characteristic is more accentuated in

rural areas and less so in urban areas. But in both cases, two-room "residences" prevail over the rest.

Honduras

USSR Envoy Presented to Tegucigalpa, Managua

PA0805003691 Mexico City NOTIMEX in Spanish 2104 GMT 7 May 91

[Text] Tegucigalpa, 7 May (NOTIMEX)—Soviet representative Yevgeniy Astakhov [name as received] has presented his credentials as Soviet ambassador to the Honduran Government. With this, the two countries established diplomatic relations for the first time.

Astakhov presented his credentials to President Rafael Leonardo Callejas and the diplomatic corps credited in Tegucigalpa.

According to the Nicaraguan Foreign Ministry, the new envoy will represent the Soviet Union before the Honduran and Nicaraguan Governments and will have his diplomatic offices in Managua.

Alfonso Sosa, Honduran commercial attache to Moscow, said that "a new phase of commercial relations between the two countries has been opened."

He stated that the Soviet Union will be able to import bananas from Honduras, and that this country will be able to import Soviet fertilizers and agricultural machinery.

Sosa said that Astakhov will visit San Pedro Sula, Honduras' industrial center, located north of the capital and will meet with some of the city's authorities and businessmen.

Nicaragua

President Issues Decree on Advance Tax Payments

PA0705165591 Managua Radio Nicaragua Network in Spanish 1346 GMT 4 May 91

["Text" of Presidential Decree 18-91 issued at the Presidential Palace in Managua on 2 May]

[Text] Decree No. 18-91.

The president of the Republic of Nicaragua.

Whereas;

1. The Economic and Social Concertation Agreements signed on 26 October 1990 call for, as one of the fiscal measures, an increase in tax revenues;

2. It is necessary to establish mechanisms to encourage better behavior among the taxpayers, urging them to fulfill their fiscal obligations and voluntarily pay their taxes;

3. It is appropriate to encourage the taxpayers to pay their taxes in advance;

Therefore, in exercise of the authority vested on her by the political constitution, the president has issued the following tax discount decree:

Article 1. This decree is intended to establish temporary measures to encourage taxpayers who are subject to the payment of taxes—the collection, management, and control of which is entrusted to the General Revenues Directorate—to voluntarily pay their taxes in advance.

Article 2. A discount is hereby created for tax debts that are paid, or partially paid, at least five days prior to their due date, as follows:

A) For income taxes, when advance payments are made on accounts, withheld deductions, or final balances, there will be a 1 percent discount per day up to the four days that precede the due date.

B) For property taxes, when advance payments are made on accounts or final balances, there will be a 1 percent discount per day up to the four days that precede the due date; and

C) For general sales tax, there will be a 1 percent discount per day up to the four days that precede the deadline for filing a monthly declaration and making a monthly payment.

Article 3. The tax discount established by this decree will be in effect until 30 June 1991, with a maximum 45 percent limit for those who make their payments in May 1991; and a 30 percent limit for those who make their payments in June 1991. The discount will not be applicable to overdue taxes.

Article 4. To enjoy the benefits established by this decree, the taxpayer must be subject to the payment of taxes and he must file a declaration at the local income tax office, which will calculate his income tax and discount for advance payment, and receive his payment.

Article 5. The Finance Ministry is authorized to change the income tax rates established in Article 2 of this decree, to extend the enforcement of the discount established in Article 3, and to issue instructions to enforce this decree through ministerial agreements.

Article 6. This decree will be effective on its publication through any media, without detriment to its subsequent publication in the official newspaper.

Issued in Managua, at the Presidential Palace, on 2 May 1991.

[Signed] Violeta Barrios de Chamorro, President of the Republic of Nicaragua

COSEP Rejects Humberto Ortega Statements

PA0705194091 Managua Radio Nicaragua Network in Spanish 1347 GMT 7 May 91

[Text] The Higher Council of Private Enterprise [COSEP] has rejected accusations by General Humberto

Ortega. Engineer Gilberto Cuadra Solorzano, president of COSEP, denied that this business organization is interested in promoting armed groups to attack the country's security.

As for the public accusations by Army Chief Gen. Humberto Ortega, Cuadra said that such accusations are improper. To promote armed actions is attacking the country's economy, Cuadra Solorzano said. We will now hear what he has to say:

[Begin Cuadra recording] I believe the accusations made by former President Ortega [as heard] are closed-minded. They really are closed-minded accusations made by the Army chief, who [words indistinct] Mrs. Violeta Chamorro is meddling in politics.

This, however, is not the main problem. As a sector, we will never, with a capital N, promote disorder that hurts the country's economy. None of our members will participate in organized actions that violate the country's order. There may be one who does it individually but-...[break in reception].

Information Director Assumes Control of SNTV

PA0705220991 Managua BARRICADA in Spanish 5 May 91 pp 1,12

[Text] On 4 May, Danilo Lacayo, director of Information and Press of the Presidency, temporarily assumed the administration of Sistema Nacional de Television Network (SNTV), Channel Six, thus confirming rumors that Carlos Briceno had been dismissed.

The decision was reportedly made during a recent meeting of SNTV's board of directors, which was presided over by Lacayo.

Briceno had serious differences with the director of Information and Press of the Presidency and he expressed, on several occasions, his opposition to the handling of the Presidency's information policy.

Briceno, now a former director of SNTV, argued that a public television station should be independent of party politics and the government.

The differences between Briceno and Lacayo developed after Lacayo signed contracts which affected Channel Six programming and improved the private channel.

Briceno, who worked during the UNO [National Opposition Union] electoral campaign, headed SNTV since 25 April, when President Violeta de Chamorro took office.

Former Director Comments

PA0705222691 Managua Radio Sandino in Spanish 1200 GMT 7 May 91

[Text] Carlos Briceno, former director of Channel Six, said yesterday that his removal by order of Dr. Danilo Lacayo, director of Information and Press of the Presidency, was aimed at making that channel's newscasts more pro-government. Regardless of their relations with Briceno, the journalists, technicians, and cameramen who work for Channel Six had better relations with him than with Dr. Lacayo. Since Briceno's dismissal, several journalists have reportedly tendered their resignations voluntarily.

Briceno stated that his removal was sparked by his opposition to a contract signed by Dr. Lacayo and (?Prolasa), granting Channel Two the broadcast time between 1900 and 2000. At that prime-time hour, he added, Channel Six brings in 30 percent of its income. Briceno said that he opposed the contract because of his honesty and professional ethics, adding that he did not want to cling to any public post.

Government Minister Calls 'Vivas Case' Closed

PA0805025491 Managua BARRICADA in Spanish 7 May 91 p 12

[Text] Government Minister Carlos Hurtado said yesterday "this case is closed" when referring to reports on the firing of National Chief of Police Commander Rene Vivas.

Hurtado met with the cabinet, a group of UNO [National Opposition Union] parties, and Workers Permanent Congress union leaders to evaluate President Violeta de Chamorro's first year in office.

During a recess, BARRICADA asked the minister if any decision had been made concerning the Vivas case, to which Hurtado replied categorically that the case was closed.

The meeting was also attended by Managua Mayor Arnoldo Aleman, Union of Nicaraguan Agriculture-Livestock Producers new president Arges Sequeira, from the "Association of Confiscated."

The UNO parties, led by Vice President Godoy, strongly criticized having not been invited to the meeting that took place at the Olof Palme Convention Center.

Vice President Godoy is touring Europe, but it was learned that he was not invited to the "closed door" government meeting.

Radio Comments on Property Owners' Demands

PA0705200091 Managua Radio Sandino in Spanish 1300 GMT 5 May 91

[Passages in quotation marks recorded]

[Text] This week we went to the Cabrera Theater as newsmen. An extraordinary assembly, the first meeting of the so-called National Federation of Confiscated Property Owners [Federacion Nacional de Confiscados—FNC], or we could say, the National Federation of Somozists, was held there. Within this framework, it is interesting to note that Engineer Ramiro Gurdian, who for 10 years held the post of president of Upanic [Union of Nicaraguan Agricultural-Livestock Producers], was

removed and Mr. Arges Sequeira was appointed in his place. We were surprised by this appointment.

During this strife-torn week, there is cause for concern that while the Sandinist Front and a sector of the Chamorro Government seek to find a peaceful solution to the situation, extremist groups are trying to fuel the fire and lead Nicaragua into a bloodbath. We are speaking factually, because we are in a position to substantiate what we are saying. The meeting was chaired by Mr. Jaime Chamorro, member of the board of directors of LA PRENSA, and included Gilberto Cuadra, president of COSEP [Higher Council of Private Enterprise], Deputy Edmundo Castillo, Jose Castillo, and others. There were speeches by Donald Lacayo, Gilberto Cuadra, and Arges Sequeira. Their shout was: To the streets, let us go to the streets; we are not afraid of them; we will demand our rights out on the streets. Those thieves—that was the language used during the assembly, and most were old Somozists who are arriving from Miami. [Words indistinct] according to the assembly, lands that were illegally confiscated. We are not going to hide the sun with a finger. [Words indistinct] and I would say the Nicaraguan revolution was the most peaceful, the most generous, the least violent, the calmest. Nobody was taken to the execution wall here, not even real criminals.

Yet, the doors have been opened to them. They are arriving in Nicaragua and continue trying to meet with something that is dead: Somozism. There is no room for Somozism in Nicaragua. We are right about what we said. The government says it is going to create an indemnification law. If a citizen's property was seized illegally, there is no reason why he should have to confront the guards or the Somozists if other channels are provided. They are arriving to claim their properties. The laws are very clear and [words indistinct]. We are willing to correct mistakes. I am sure that the cases will be studied. What we do not agree with is how this association fuels the fire for confrontation. Let us listen to Donald Lacayo's speech at the meeting.

[Lacayo] "If we could describe this meeting, I would say that it is the meeting of shame and dignity. It is the shame for a government that promised justice to the people. This is a meeting of the dignified men, dignified women of this fatherland of Ruben Dario, not the country of servile ones. If Mrs. Chamorro's government refuses to return the properties seized by the Sandinists, we must take to the streets to demand justice."

That was Donald Lacayo. While the Venezuelan president called for an award for Augusto Cesar Sandino, this group of Somozists deny Sandino, a national symbol. You heard it. We belong to the land of Dario and not of Sandino. Now you will hear Mr. Gilberto Cuadra. Cuadra says that it has to be done quickly, it must be done now, a new economic model must be created for Nicaragua because the current government continues with the Sandinist model. Let us hear him.

[Cuadra] "We must be selective in deciding the model that we want for the future. We do not have much time left and this leaves room for making many mistakes. We must do things rapidly and [words indistinct]."

Last, you will hear Arges Sequeira who was elected Upanic president replacing Ramiro Gurdian.

[Sequeira] "In order to have justice we must be ready to go out on the streets, to occupy the streets. I want to tell you that our association has been [words indistinct] [applause] and we are ready to do this and whatever else is necessary to get Nicaragua to again be the nation that we want."

Panama

Official: Money Laundering Through U.S. Banks

PA0805032991 Panama City LA PRENSA in Spanish 7 May 91 p 2-a

[Article by Manuel Alvarez Cedeno]

[Text] The United States is the origin of the bank transfers that drug traffickers use to launder money, while Panamanian authorities have frozen several bank accounts totalling approximately $35 million for investigations into alleged money laundering.

Statements in this regard were made to the local and international press yesterday by Ariel Alvarado, secretary for drug-related matters in Panama's Attorney General's Office. Alvarado said that all ongoing investigations related to the alleged laundering of money are the result of information provided by U.S. DEA [Drug Enforcement Agency] agents.

Explaining the mechanism that drug traffickers use to disguise the origin of illicitly obtained monies, Alvarado said that transfers are made to various banking centers, like the one in Panama.

"The United States is the source of the bank transfers. That is where the cash is produced from the consumption of drugs and their direct sale on the streets," Alvarado said.

The Panamanian official said that the transactions leave trails only within the banks themselves, and unless the banking institutions provide information on them, "it is impossible for us to learn about the transfers or investigate them."

Alvarado said that based on Law 23 of 1986, Panama gives the DEA all information obtained in the banks about accounts that the U.S. organization claims are linked to money laundering.

Regarding charges made in the United States to the effect that more money is being laundered in Panama now than when deposed General Manuel Noriega was in power, Alvarado said he was not sure that these charges are being made by U.S. authorities.

"There is always a lot of speculation about this subject. People who do not handle the figures cannot give opinions about this; they can only speculate," Alvarado said.

Leader of Coup Attempt Released to House Arrest

PA0705203391 Panama City Circuito RPC Television in Spanish 1730 GMT 7 May 91

[Text] Colonel Eduardo Herrera (retired), former National Police general director, was released this morning and placed under house arrest. Quintanar [first name not given], deputy secretary of the Attorney General's Office, handed the release note to Herrera's lawyers, Gilma Quintero and Alma de Vallarino. Afterward, Col. Herrera was taken from Naos Jail, where he had been staying since last October because of his alleged role in a subversive military movement against the Guillermo Endara government, to Modelo Prison to finalize the details of his release. On release from jail, and accompanied by his lawyers and heavily armed Public Force [FP] members, he commented on this precautionary measure.

[Begin recording] [Herrera] My lawyers are trying to get the terms of my release changed because I must take care of my family, which has been experiencing hardships these past six months. Staying at home, I cannot provide the things they need. My lawyers are trying to see what can be done about this.

[Unidentified reporter] How do you feel about your freedom?

[Herrera] What can someone who has been jailed for six months say? I came from Peru to face the charges against me. Our justice is slow, and we must wait and see what happens.

[Reporter] How do you view the country's political problems, considering the Christian Democratic Party left the government, and that the government is facing a political crisis?

[Herrera] The only ones suffering are the country and the humble Panamanians, because the rich do not suffer. What we have here is the war of the -isms. We had Norieguism, which no longer exists; now we have Endarism or Calderonism. I would not be surprised if someone someday invented Herraraism. I agree with the first lady, we must work for the country and stop all the talk.

[Reporter] It has been said the government tried to destroy the country's labor movement with the help of Col. Eduardo Herrera. What is your stance now that you are free?

[Herrera] The workers had nothing to do whatsoever with our movement. Foreign newsmen and many Panamanian newsmen know we were only pressing our demands. [end recording]

Col. Herrera commented on the FP's current situation.

[Begin recording] [Herrera] So long as the FP problem is not settled, there will be no investments. Without security, investments will not come. Vice President Guillermo Ford is going to be wasting his time seeking investors or giving incentives, because nobody will invest in country where there is no security. You see that Panamanians are the prey of anything that may happen to them in the streets.

[Reporter] What about your political future?

[Herrera] Right now, I am figuring out what to do for my family, but I cannot say for the future. If I found Panamanians who want to work for Panama—and there are many of them—because Panama does not deserve the things that are happening, I may join some political party. [end recording]

Col. Eduardo Herrera took the bus that drove him to his house, where he is to stay in the days to come. According to the precautionary measure, Col. Herrera must stay in his house under the custody of FP members until the charges against him are settled in court.

Arias Calderon: Hopes for Democracy 'Betrayed'

PA0805020091 Panama City Circuito RPC Television in Spanish 1730 GMT 7 May 91

[Text] The hopes that were forged on 7 May 1989 have been betrayed, said First Vice President Ricardo Arias Calderon today, as he recalled the past presidential election.

[Begin Arias Calderon recording] There was hope for an alliance government. When the president ended the alliance government, hope was transferred to the democratic opposition headed by the Christian Democratic Party. However, the significance of 7 May is not lost. It is still in force, and is currently in force because the overwhelming majority of Panamanians see in the democratic opposition the hope for democracy as we dreamed of it. A new democracy, not a return to the past. A modern democracy that is not subject to the abuses of traditional politics. A fair democracy, especially fair toward those who have the least and must endure the most. [end recording]

Guatemala Petitioned for Extradition of Bernal

PA0805015391 Panama City Circuito RPC Television in Spanish 2300 GMT 7 May 91

[Text] Late this afternoon the Attorney General's Office presented a request to the Foreign Ministry that the extradiction of former Captain Jorge Eliecer Bernal be requested from Guatemalan authorities. Eliecer Bernal left the country after the Guatemalan Embassy granted him diplomatic asylum.

Argentina

Foreign Minister Di Tella on Relations With UK

PY0705183991 Buenos Aires TELAM in Spanish 1012 GMT 6 May 91

[Text] Buenos Aires, 6 May (TELAM)—Commenting on the level of diplomatic relations with Great Britain, Foreign Minister Guido di Tella said: "They have normalized 97 percent, more than even they thought possible or desired." He highlighted the progress that the two nations have made in economic relations.

Asked about the harm that could be caused to bilateral relations over the possibility that the British Armed Forces may carry out military maneuvers on the Malvinas Islands, Di Tella said: "I do not believe that it will cause any problems. In addition, we have not given a millimeter on the matter of sovereignty."

Regarding economic relations between Argentina and the United Kingdom, the foreign minister told the Buenos Aires daily AMBITO FINANCIERO, that "within two years they will have returned to the level that they were before the war," and highlighted the interest of British businessmen in the energy sector, "especially in the SEGBA (Greater Buenos Aires Electrical Services)," which he said is "the key to their interest" in the privatization of public enterprises that is being carried out by the government.

Menem Commends Collor, Rodriguez on Itaipu Dam

PY0705214491 Buenos Aires TELAM in Spanish 2343 GMT 6 May 91

[Text] Buenos Aires, 6 May (TELAM)—President Carlos Menem today sent a message to his Brazilian colleague, Fernando Collor de Mello, and his Paraguayan colleague, Andres Rodriguez, who met in Paraguay to participate in a ceremony during which the last turbine of the Itaipu binational hydroelectric plant was inaugurated.

A communique released by the Foreign Ministry highlights the fact that the president considers this hydroelectric plant to be "a true symbol of the unity" of the member countries of the Common Market of the South (Mercosur), and that he expressed to his colleagues "the satisfaction of the Argentine people and government" on completion of the plant.

Menem mentioned to the two presidents "the special significance" of the dam in the rational development of rivers, and he stressed that he "had no doubt" about the benefits of Itaipu Dam for the countries of the River Plate Basin.

Provincial Deputy Appointed Santa Cruz Governor

PY0805014091 Buenos Aires BUENOS AIRES HERALD in English 7 May 91 p 1

[Text] (DYN) Santa Cruz—The Santa Cruz legislature accepted by unanimous vote the resignation of ex-Governor Jose Granero yesterday. Provincial Deputy Hector Marcelino Garcia will serve as interim governor—the third Santa Cruz governor since May 1990.

According to provincial law the vice-governor is supposed to assume the governorship, but Vice-Governor Jose Maria Salvini resigned as well.

Political Primaries Held in Five Districts

PY0805015091 Buenos Aires BUENOS AIRES HERALD in English 7 May 91 p 11

[Text] (NA-DYN)—The Radical, Justicialist and Intransigent Parties took a further step on Sunday [5 May] on the road to the midterm elections on October 27. There were five primaries in as many districts.

The Radicals held primaries in Mendoza, Santa Cruz and Entre Rios. In the two former provinces the triumphant candidates are supporters of ex-President Raul Alfonsin's internal line while the Entre Rios election ratified the leadership of 1983-87 Governor Sergio Montiel.

In Mendoza, Victor Fayad, governor of the provincial capital city, became Radical gubernatorial candidate after defeating Senator Jose Genoud, a supporter of Alfonsin's party rival, Cordoba Governor Eduardo Angeloz. Raul Vicchi and Leopoldo Orquin are the first two names in the list of Radical congressional candidates.

In Entre Rios, former international cyclist Humberto Varisco won the primaries for the candidacy for Parana mayor with 55 percent of the votes cast. The party candidate to become next provincial governor was automatically announced, as Sergio Montiel's candidacy was the only one presented.

In turn, Santa Cruz Radical Committee head Juan Melgarejo was re-elected in his post and thus became the party's candidate for governor. Although the final results were not yet available in this province, Melgarejo's list was set to win over his rival Ernesto Cruz, who also supports Alfonsin at a national level.

Meanwhile the Peronists voted in La Pampa, where the list presenting Senator and former Governor Ruben Marin as candidate for the governorship won over two opposition lists. Marin's running-mate is Santa Rosa Mayor Manuel Baladron, who was already vice-governor under Marin from 1983 to 1987.

Meanwhile, the Intransigents chose Marcelo Vensentini as their first congressional candidate in the Federal Capital and Aldo Aprer as the leading municipal candidate. Although the final count had not finished at press

time, Vensentini's list had already taken an insurmountable lead over the list which presented retired Colonel Juan Jaime Cesio for the same post.

Finally, the National Justicialist Council decided yesterday to place the Tucuman party council under its direct control due to serious internal differences between several Justicialist sectors there regarding the date and characteristics of the provincial primaries. The party leadership appointed former Justice Undersecretary Cesar Arias as trustee in the district and suspended the primaries, which were due on May 12. The main difference between the Justicialist Council and the party Congress is the possibility of striking an alliance with the new party of singer Ramon "Palito" Ortega, which the former promotes and the latter criticizes.

National Institute Reports Consumer Price Index

PY0805014691 Buenos Aires BUENOS AIRES HERALD in English 7 May 91 p 1

[Text] (DYN)—The cost of living, as measured by the consumer price index, climbed 5.5 percent in April, the National Institute for Statistics and Census (INDEC) reported yesterday. Wholesale prices, meanwhile, rose 1.1 percent.

The figures give the first indication of the behaviour of prices since the Autumn Plan was introduced on April 1. The plan is designed to brake inflation by stabilizing the currency and deindexing the economy.

Consumer price inflation in March was 11 percent, and in February 27 percent. INDEC said that prices have risen 267 percent in the 12 months to April.

In the face of private sector projections of five percent inflation for April, Chief Economic Advisor Juan Jose Llach had described such an increase as "dreadful" for the Autumn Plan.

It is important that the plan achieve rapid success in slowing the rate of price rises. Otherwise, the austral—now fixed at 10,000 to the dollar—will become increasingly overvalued. This will undermine confidence in the government's ability to maintain the exchange rate, and so threatens an inflationary rush into dollars.

INDEC reported that those goods and services which registered the highest price rises last month were education (11.5 percent), other goods and services (10.7 percent) and entertainment (6.4 percent).

The cost of transport and communications rose only 3.5 percent in April, domestic goods (2.7 percent) health (4.6 percent) and housing 5.2 percent. Food and drink prices were up almost six percent.

Construction costs rose 1.2 percent last month, INDEC announced.

Within the wholesale price index, the cost of domestically produced goods rose 1.3 percent, while imported products were 1.5 percent cheaper at the end of April. Among nationally-produced goods, agricultural products rose almost 10 percent.

Bolivia

Peasants To Block Roads Despite Warning

PY0705155691 La Paz Radio Fides Network in Spanish 1100 GMT 7 May 91

[Text] Peasant workers will not reconsider their decision to block roads despite the warning from the executive branch. (Chino Rivas), leader of the General Trade Union Confederation of Peasant Workers of Bolivia [CSUTCB], said the coca producers are not frightened by the government's warning that it will prevent roadblocks with the help of the Armed Forces.

[Begin (Rivas) recording] It would be a confrontation if the peasants carried weapons. That would be a confrontation. However, we peasants do not carry weapons. The only weapons we have are our machetes, hoes, sickles, and oxen, but we use these tools to work and to produce food, the food that is consumed in the cities. We are responsible for 70 percent of the food production; we feed our whole country. We do not use our tools to scare the people, to subdue peasant families, or to sacrifice them. We want to clearly establish that we have no weapons. [end recording]

The interior minister in turn reiterated that the militarization of the antidrug trafficking struggle is not aimed at the peasants but at drug traffickers.

Statistics on Bank System Liquidity Released

PY0705224991 La Paz EL DIARIO in Spanish 4 May 91 p 6

[All figures as published]

[Text] The Superintendency of Banks has reported that the overall liquidity of the banking system totals $256.1 million. Of this total $167.1 million relates to loanable resources and $89 million to short-term investments.

The loanable resources are made up in the following manner: $19.7 million in cash; $108.5 million deposited in a minimum legal reserve in the Bolivian Central Bank, and $38.8 million in other available resources. Short-term investments are made up in the following manner: $84.5 million in Deposit Certificates issued by the Central Bank; $3.5 million in deposits abroad; and $1 million in interbank funds (net balance of loans minus deposits).

The overall liquidity of the banking system, on 28 April, had dropped $5.9 million (2.25 percent) compared to that recorded at the end of the previous week. The most important net drop occurred in the area of cash flow: $6.4 million, especially in terms of cash ($2.3 million) and other loanable resources ($6.6 million: the balance held in branch offices at home and abroad, in operations,

and in dollars obtained by agreement and which are deposited in the Central Bank of Bolivia). The funds deposited in the Central Bank of Bolivia, as a minimum legal reserve, increased by $2.5 million.

The superintendency notes that temporary investments, which total $89 million, increased $0.5 million as compared to the previous week as a result of a slight increase in investments in Central Bank Deposit Certificates which reversed the slump observed during the current month.

During the last week of April this year, the commercial banks liquidity ratio represented 28 percent of overall deposits, maintaining an average of approximately 29 percent (lower than the 31 percent average recorded in the 1990 period), which implies a policy of expansion in the loan portfolio.

Brazil

President Collor Discusses Itaipu Treaty

PY0705204591 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 6 May 91

[Text] Brazilian President Fernando Collor de Mello and Paraguayan President Andres Rodriguez today inaugurated the final turbine of the Itaipu Hydroelectric Project that was built on the Parana River, on the common border between the two countries.

The plant has reached its maximum generating capacity of 12,600,000 kilowatts with the inauguration of the 18th turbine. The final cost was $20 billion. Reporter Luiz A. Mendoza reports from Foz do Iguacu:

[Begin recording] [Mendoza] Itaipu's capacity of 12.6 million kilowatts makes it the largest in the world and represents 36 percent of the total Brazilian electric energy production. The project is the result of a treaty signed between the two countries in 1973 which provided for the hydroelectric development of the Parana River between Guaira-Salto de Sete Quedas and the Iguacu River. In his speech President Fernando Collor stressed the balance within the clauses of the Itaipu Treaty.

[Collor] Itaipu is a cornerstone in the modern relations between Paraguay and Brazil. The Itaipu Treaty is part of the priceless patrimony of our two countries. Its clauses are the result of intense and broad negotiations between sovereign nations. They establish, above all, a lasting balance of interests that will continue to inspire our two countries' relations within the framework of the broadest spirit of cooperation and good neighborhood.

[Mendoza] President Andres Rodriguez said that he trusted the sensitivity of the Brazilian Government to revise the treaty. The Paraguayans want a rate increase and the option of selling the excess energy to which they have right to other countries. The two presidents met for 30 minutes following their speeches at the inauguration ceremony, and President Fernando Collor then returned to Brasilia. [end recording]

Collor, Portugal's Cavaco Discuss Cooperation

LD0805054891 Lisbon Radio Renascenca in Portuguese to Europe 1800 GMT 7 May 91

[Excerpt] Prime Minister Cavaco Silva is on the second day of his official visit to Brazil. Today's highlight was his meeting with President Collor. The key points broached by the two leaders were economic, trade, and cultural problems. Ana Paula Santos reports from Brasilia:

[Santos] The main topics discussed by Collor and Cavaco Silva this morning were the difficulties in cooperation, the importance of summit meetings, Brazil's interest in Portugal's strategy once it presides over the EEC, and the Angolan peace process. The meeting was the opening session of this Luso-Brazilian summit. The two men then joined their respective government delegations, and once more Portugal's role as a door to the EEC was stressed. There is great interest in Portugal's presidency because it will be Portugal choosing the issues to be discussed more extensively.

Great anticipation surrounds the meeting taking place at the moment between the two finance ministers, Miguel Belez and Zelia Cardosa. According to our sources the Brazilian minister was very brief in her first declaration: She simply asked for cooperation with regard to GATT and thanked Portugal for its help in the negotiations of Brazil's debt with the Inter-American Bank.

The prime minister once more appealed to businessmen of both countries: Only they can strengthen and shape relations between the two countries. Cavaco Silva added that he did not fear imbalances between investments and the balance of payments because Portugal has an economy that is naturally open to the outside. [passage omitted]

Collor Repudiates Criticism of IMF's Camdessus

PY0705200991 Rio de Janeiro O GLOBO in Portuguese 6 May 91 p 1

[Text] President Fernando Collor yesterday repudiated remarks by IMF Managing Director Michel Camdessus, who said that Brazil is being badly administered. During his weekend rest in Araxa, Collor termed Camdessus' comment, which is published by the French daily LE FIGARO, as improper meddling. Collor said that it represents pressure. "Brazil is administered by Brazilians," Collor said categorically.

Camdessus said that if Brazil was well administered for three consecutive years, no one would hear any more about the Brazilian foreign debt.

President Collor, however, expressed satisfaction over the work by the economic team and Debt Negotiator Jorio Dauster, who are negotiating, seeking a new agreement on the foreign debt.

Chile

Envoy Denies Pending Complaint on U.S. Report

PY0705151291 Santiago Radio Cooperativa Network in Spanish 2300 GMT 6 May 91

[Text] The government will not lodge a formal claim through the Chilean Embassy in the United States over the U.S. State Department report [on terrorism in Chile]. This was announced by Patricio Silva, our country's ambassador in Washington, after meeting with President Patricio Aylwin.

[Begin recording] [Silva] No formal claim will be lodged through me over this report. I imagine you are talking about the report on (?terrorism).

[Reporter] Have you talked with the president about this issue?

[Silva] No, I did not talk with the president about this issue. [end recording]

Regarding the report itself, the diplomat pointed out the following:

[Begin recording] [Silva] My view is that the report was not well prepared. There are methodological flaws and it is confusing. It does not compare the events, the character of the events, the depth of the events. This does not mean, however, that there will be any claim or action of this sort by our embassy.

[Reporter] [Question indistinct]

[Silva] What I just said. What? No, I cannot say. Serious methodological flaws and the way the report was drawn up.

[Reporter] Was the report prepared here at the U.S. Embassy in Santiago?

[Silva] I do not have any information on where it was prepared.

[Reporter] What repercussions will it have...?

[Silva, interrupting] I believe that.... [changes thought] No, I do not believe there will be major repercussions. I doubt it is even widely known in the United States. I believe that more importance has been attached to it here than there. I do not anticipate repercussions of any sort. [end recording]

The Chilean ambassador to the United States discussed with the chief executive issues related to the free trade accord and loan agreements that should be signed within the framework of U.S. President George Bush's Americas Initiative.

Communist Party Reacts to Carabineros Repression

PY0705211791 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 7 May 91

[Excerpts] Interior Minister Enrique Krauss today said that the Carabineros acted in accordance with the law when they repressed a Communist Party demonstration on 4 May. Communist Party leaders have complained that the repression was excessive and abusive. [passage omitted]

Communist leaders have announced that they will file a lawsuit against the Carabineros special forces. Communist Party leader Gladys Marin has said that it was wrong for the interior minister to say that the Carabineros acted in accordance with the law. Marin said this after meeting with Interior Minister Enrique Krauss.

[Begin Marin recording] I think it is wrong for the minister, or any government official, to give such an opinion before an inquiry is held. We were told that there would be an investigation to establish the truth about the incident. We told the interior minister that the aggression was not only directed against the Communist Party but also against the democratic government and democracy itself. The incident hurt the government and it tarnishes the government image.

No minister or any other official may express their opinion before a proper inquiry is conducted. We have said that we have asked to meet with [Carabineros Director Rodolfo] Stange, that we will go to Congress on 8 May to talk with legislators' committees, and that we will file a lawsuit. [end recording]

Communist Party Secretary General Volodia Teitelboim has expressed his doubts over the Carabineros report to the Interior Ministry.

[Begin recording] [Teitelboim] They suddenly saw sticks, sticks, and more sticks coming down on their heads. A group of Carabineros from the special forces who do not respect anything were responsible. We do not believe that any neighbor made any call. Anyone can say yes, I called, but this would be a reaction after the fact.

[Party for Democracy leader Jorge Schaulsohn] The aggression and beating of this very small group of people cannot be excused or explained. The Carabineros and the government must agree that it was an excessive reaction and take the appropriate measures to identify those responsible and ensure that incidents like this will not happen again. We have to make sure that the Carabineros will always respect the Constitution and the law. [end recording]

Schaulsohn visited the site of the incidents on 4 May. He said that the Carabineros are prejudiced against the Communist Party and that those who are responsible must be punished.

The Carabineros department issued an official communique on the incidents during the Communist Party demonstration. The declaration points out that the event was not authorized and that the officer in charge asked the demonstrators to suspend it. The Carabineros were forced to intervene because the demonstrators refused to disperse and because a group of the demonstrators began damaging private property, the communique says.

Two police officers and a civilian were injured during the incidents. The Carabineros repressed the demonstrators according to routine procedures, the communique adds. The document concludes by saying that the report on the incident has been placed at the disposal of the Interior Ministry.

Radical Party Elects Carlos Gonzalez President

PY0705155091 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 7 May 91

[Excerpts] Carlos Gonzalez Marquez, the new president of the Radical Party, has said that his party will not change its alliance policy and that it will continue to strengthen the Coalition of Parties for Democracy.

He also said that his party will continue to contribute to the democratization of judicial institutions and to support the Aylwin administration. Gonzalez Marquez made these comments during a conversation with the media after his party held internal elections throughout the country yesterday. [passage omitted]

Gonzalez said: The elections strengthened the party because we were able to verify that the party has influence in all communities. He added: We are certain that the Radical Party, which has made such a great contribution to the country's development, will once again become the leader of the Chilean middle class. He also indicated that the new party leadership will meet in the next few days with President Patricio Aylwin and leaders of the main political parties.

Colombia

Venezuela's Perez Arrives for Two-Day Visit

PA0705193391 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 7 May 91

[Report by Sandra Vergara]

[Text] The fight against drug trafficking, the border dispute problem, and the border integration programs are some of the topics that are being discussed at the Narino Palace between Presidents Cesar Gaviria of Colombia and Carlos Andres Perez of Venezuela.

The Venezuelan president was received just past 1100 at the Catam Military Airport by Foreign Minister Luis Fernando Jaramillo.

Venezuelan President Carlos Andres Perez arrived in the country under tight security measures. Those attending the arrival were President Cesar Gaviria Trujillo, all his ministers, top military officers, and other distinguished guests. President Perez and the Venezuelan delegation that will visit Colombia for two days were received with military honors.

During the visit, the presidents will strengthen the ties of cooperation and friendship between the two countries.

Peace Adviser Views CNG Posture on Talks

PA0705172691 Bogota Radio Cadena Nacional in Spanish 1200 GMT 7 May 91

[Telephone interview with Presidential Peace Adviser Dr. Jesus Antonio Bejarano by an unidentified reporter in Bogota—live]

[Text] [Reporter] How are the talks to begin the dialogue with the Simon Bolivar Guerrilla Coordinating Board [CNG] going?

[Bejarano] I believe that the possibility of beginning the dialogue has progressed favorably in recent days, particularly yesterday. The government has made a proposal, and I understand that it was accepted by the CNG, agreeing to meet with the commission appointed two months ago by Dr. Carlos Eduardo Jaramillo, deputy government minister [and presidential peace adviser] in Cravo Norte, Arauca Intendancy. Thus, we hope to make the necessary arrangements to hold this meeting as soon as possible.

[Reporter] That information has been confirmed, Dr. Bejarano. While you were in the city of Santa Marta last night, the CNG sent a communique to the National Constituent Assembly here in Bogota accepting the site of Cravo Norte to hold talks. My question is, what kind of dialogue will be held in Cravo Norte? Will these be just preliminary talks?

[Bejarano] According to the government proposal, the talks that will be held in Cravo Norte will be preliminary. The guerrillas' agreeing to meet at a location on the Venezuelan border with the government commission is intended to establish the country, the dates, and the logistics for the meetings. The agenda will obviously not be discussed, because it is an element or one of the points of negotiation. We hope to define during this meeting the conditions for establishing direct negotiations with the rebels.

[Reporter] Has the government made any demands of the CNG? For example, has the government requested that the CNG release the kidnapped, declare a cease-fire, etc.?

[Bejarano] No, no. The government stated some time ago that it is willing to hold a first meeting with the guerrillas to agree on sites and dates for holding future talks abroad. Later, we will discuss other issues, such as the cease-fire, the kidnapped, etc. at these important high-level talks, where decisions will be made.

[Reporter] To begin the talks, is the government demanding that the guerrillas cease hostilities?

[Bejarano] The government has made it very clear that it has not asked the guerrillas to declare a unilateral cease-fire, because we understand that the cease-fire must emerge from an agreement.

[Reporter] Dr. Bejarano, the communique issued by the CNG requested the presence of a Constituent Assembly commission and journalists in Cravo Norte. Will the government place obstacles to oppose this request?

[Bejarano] I have obviously not read the communique, but I received the news that the rebels had accepted the site for holding talks. Therefore, I will travel to Bogota, after attending a meeting of the National Rehabilitaion Plan, to try to work out the details of the meeting.

[Reporter] What are the practical advantages of selecting Cravo Norte as the site for holding the talks?

[Bejarano] The government proposed to the CNG 16 locations for holding the meetings. There are really no specific advantages or disadvantages to any of the locations proposed by the government. The government proposed holding the talks in different locations in Arauca Intendancy near Venezuela, given the fact that the members of the rebel commission were already there and we wanted to facilitate these people's access to the site of the meeting.

[Reporter] Dr. Bejarano, can the violent takeover of San Pablo in the southern part of Bolivar Department be interpreted as lack of coordination in the command of the CNG, or as a disagreement with the peace proposal?

[Bejarano] No, I cannot truly give any interpretation of this incident. We should take into account that no cease-fire has yet been agreed upon, so in that sense, I would not intepret this incident as a sign of dissent. These are violent attacks similar to those that have taken place for some time in other parts of the country.

[Reporter] Would the government prefer to hold the talks in Colombia or abroad?

[Bejarano] The government has maintained for the last seven days a position of favoring the dialogue abroad. Once we attain minimal agreements on a cease-fire and other aspects, there would be no reservations on the part of the government to continue the talks in Colombia. We did not want to be trapped in a vicious circle of holding talks to find a cease-fire and vice versa. Therefore, if we manage to attain some minimal agreements, there would be no reservations about continuing the talks in Colombia.

[Reporter] Dr. Bejarano, we thank you very much for momentarily leaving your meeting of the National Rehabilitation Plan in Santa Marta to speak to us. Thank you much.

Constituent Assembly Approves Obligatory Voting

PA0705151591 Bogota Inravision Television Cadena 2 in Spanish 0100 GMT 5 May 91

[Passages within quotation marks are recorded; all speakers except Lievano are members of the National Constituent Assembly]

[Text] The First Commission of the Constituent Assembly approved today obligatory voting for Colombians and defined other articles that will be debated in the plenary meeting.

Azucena Lievano has the report. She also asked the members of the Constituent Assembly about the Assembly's omnipotence.

If there is concensus in the plenary meeting as there was in the first commission, every time that Colombians are summoned to the ballot boxes, they will be obliged to come.

[Augusto Ramirez Ocampo] "That is the procedure for purifying Colombian politics. Obligatory votes and ballots make it impossible to have patronage and the purchase and sale of votes."

The Assembly also approved elections for governors. These two topics will be analyzed in the plenary meeting which yesterday reached agreements after a week of heated discussions in which the constituents reiterated their power of omnipotence.

[Lievano] "What meaning does the word omnipotence have for you?"

[Carlos Lemos Simmonds] "When I speak of omnnipotence all I think about is God."

[Alfredo Vasquez] "Omnipotence is to do everything within the thesis of the Constituent Assemoly, that is to say that the Assembly is omnipotent to reform the Constitution."

[Armando Holguin] "I believe that the National Constituent Assembly, if that is what you are asking about, is sovereign but not omnipotent."

[Luis Guillermo Nieto] "Omnipotence is the capacity to do everything corresponding to its essence. The essence of the Assembly is to reform the Constitution, therefore, the Assembly is omnipotent to reform it.

[Jaime Castro] "I prefer to speak of the sovereignty of the Assembly, I believe that is clearer for everyone."

[Antonio Navarro Wolff] "Omnipotent is one who can do everything. I believe that the Assembly is not omnipotent, but sovereign. It cannot do everything."

According to the dictionary, omnipotence is an exclusive attribute of God and to be sovereign is to exercise power without any control.

Whether omnipotent or sovereign, the only truth is that the members of the Constituent Asembly have a duty towards the country. They must reform the National Constitution. Azucena Lievano reported from Bogota.

Message From Escobar Says He Will Surrender

PA0705142791 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 7 May 91

[Text] Priest Rafael Garcia Herreros today confirmed to the "24 Horas" newscast the existence of a message from Pablo Escobar Gaviria in which Escobar says he is not seeking a pardon.

The priest has traveled several times to Medellin and the mid-Magdalena region in recent weeks and later announced on his television program that Escobar would turn himself in. According to him, this would be possible if the Attorney General's Office orders a disciplinary

investigation of the authorities who, according to Escobar, have committed abuses against some of his relatives.

Although Father Garcia Herreros did not show the letter he received from Escobar—which he considers a confession—to Gloria Congote [reporter], he did reveal some details of its contents.

If everything goes as planned, Father Rafael Garcia Herreros is taking giant steps toward the Nobel Peace Prize. What he has achieved up to now, no one in the world had done before. He got an answer from Pablo Escobar and, in his own handwriting, the promise that he will very soon surrender to authorities, if at the same time, according to Escobar, justice is done.

[Begin recording] [Garcia] He is ready to turn himself in and I really believe it.

[Congote] When do you think....

[Garcia, interrupts] I want to tell you something. I spoke to the president. This case is very difficult. It is not a common case.

[Congote] I believe that he tells you in the letter that he does not want the pardon, that he is not asking the government for a pardon. Instead, he wants the Attorney General's Office to begin an investigation to deal out disciplinary punishment to those who, according to him, have committed abuses against his family. Is that right?

[Garcia] That is correct. He says that there should be generalized law and justice for policemen who have violated the law.

[Congote] What can we Colombians expect?

[Garcia] I believe we can expect the best, we can expect the best [repeats himself], very good moments. We will have the joy of peace, and also the surrender of Father Manuel [Priet Manuel Marulanda Velez].

[Congote] Have you contacted him, too?

[Garcia] We are approaching each other.

[Congote] Through the Army of National Liberation, as well? Or is it through the entire Simon Bolivar National Guerrilla Coordinating Board?

[Garcia] There is some sort of general pressure in the country which is relentlessly seeking peace.

[Congote] Are you going to attain it over everyone else?

[Garcia] With God's help.

[Congote] When will you answer Pablo Escobar?

[Garcia] I am awaiting a response that could come today.

[Congote] A response from whom?

[Garcia] From Pablo.

[Congote] Is that so? Will he answer you again today?

[Garcia] It seems so. I am expecting it shortly.

[Congote] What else do you expect him to tell you if....

[Garcia, interrupts] Although I am very grateful to be with you and your beautiful audience, you understand that I must be as cautious as a serpent and that I cannot allow myself to be lured by these beautiful reporters. Please be patient with me. [End recording]

Paraguay

Rodriguez on Timely Adjustments to Itaipu Treaty

PY0705170491 Asuncion Red Nacional de Television in Spanish 1357 GMT 6 May 91

[Speech by President Andres Rodriguez at the dedication of the 18th turbine of the Itaipu hydroelectric dam on the Parana River—live]

[Excerpts] Mr. Fernando Collor de Mello, president of the Federative Republic of Brazil; Excellencies; ladies and gentlemen:

Today we are reaching the end of a daring and extraordinary project that has demanded not only the permanent political will of two governments, but also the outstanding application of expertise, financial assistance, and efficient collective discipline. [passage omitted]

Eighteen years after signing the Itaipu Treaty we are facing some circumstances which must be analyzed to maintain the spirit that led to the commencement of this work and turned it into a significant symbol of friendship between our peoples.

This historic legal instrument will undoubtedly be improved with experience, and I trust that President Collor's political and social sensibility—which is always at the service of our common interests—will listen with interest to the formulas that could be offered for timely adjustments. [applause]

Itaipu, Mr. President, is a gift from God, and at this meaningful moment in which we conclude a long history of enthusiasm and hope, this hydroelectric dam—rightly called the largest in the world—has marked its absolute importance in the irreversible dynamics of the economies of Paraguay and Brazil. This is why we are meeting here in this border area which, instead of separating us, unites us.

This border is common, nearly sacred ground where our territories unite and which must set a permanent example of highly civilized and respectful life. I know, Mr. President, that your government is as dedicated as mine to ensuring, to the greatest extent possible and at any cost, respect for law and for peaceful coexistence along our whole border.

Mr. President Collor, dear friend, in concluding let me wish that these Itaipu waters, which are constantly renewed by the law of nature and whose energy will never fade, guide our intelligence and give force to our

decisions so that Paraguayans and Brazilians may live friendly and united, making the greatest effort to consolidate our friendship, to struggle for the well-being of our countries, and to achieve the benefits of a growing prosperity that will ensure full compliance with the phrases on our national seals: Order and Progress, and Peace and Justice. Thank you. [applause]

Rezek on Possible Amendments

PY0705174091 Asuncion ABC COLOR in Spanish 7 May 91 p 6

[Text] Brazilian Foreign Minister Francisco Rezek has said that the amendment of the [Itaipu] statute, particularly the part that prohibits Paraguay from selling its portion of the energy produced to third countries, "is not a banned subject," adding that "the subject is not being analyzed at this time."

"The statute is a document that can be improved at any time. No subject has been banned. This is an essential rule of diplomacy that applies above all to sound bilateral diplomacy, such as Paraguay and Brazil have developed. Nothing is forbidden or excluded," he said.

Following the conclusion of the ceremony to dedicate the 18th turbine, Rezek held a brief talk with journalists. He was asked about the statute on the binational entity and the possibility of amending it. He said: "It is a document which affects the two countries and which can be analyzed at any time; everything depends on what will be analyzed, how it will be analyzed, and on how deep the analysis will go."

Asked about the possibility of amending the document, specifically the part that prohibits Paraguay from selling the power that it does not use to third countries, Rezek replied: "This is not a banned subject. This is an essential rule of diplomacy that applies above all to sound bilateral diplomacy, such as Paraguay and Brazil have developed."

The Brazilian minister, however, said that the subject "is not being analyzed at this time."

One of the Itaipu Treaty topics that has been questioned refers to a clause that prohibits Paraguay from selling the portion of power that it does not use to third countries. Another aspect that has been questioned refers to the low royalties and compensation that Brazil pays to Paraguay for the use of Paraguayan natural resources (50 percent of the Parana River resources) for operating the plant.

Commenting on the same subject, Paraguayan Foreign Minister Alexis Frutos Vaesken said: "It is a matter of negotiation and of identifying our interests and those of Brazil, our partner. We should also take into account the interests of the countries that can buy the power that we do not use, because there are not many. There are not too many opportunities to sell the power. We have to review and study the issue, although in practice it will not be easy because it will be necessary to build large and expensive facilities for transporting power and so forth. It is a matter of analysis and negotiation."

Soviet Entrepreneur Proposes Joint Ventures

PY0705233991 Asuncion HOY in Spanish 5 May 91 p 13

[Excerpts] The large amounts of electricity that are available to our country from Itaipu [binational hydroelectric dam project that produces 12.6 million kilowatts of energy], have not been properly exploited through the creation of electricity-intensive industries or through the installation of a transport system to use this cheap and clean energy source.

The presence in our country of Pedro Iakovlev, Soviet representative for inter-entrepreneurial exchange, means that we have to talk about the issue. [passage omitted]

The Soviets have proposed a project that is in use in their country. They manufacture state-of-the-art trolley buses, 3,000 of which operate in many countries in dozens of regions around the world.

It is a very cheap, easy, and clean transportation system. Soviet trolley buses are already operating in Cordoba Province, Argentina. [passage omitted].

The responsible Soviet institute, subordinated to the Academy of Sciences, has prepared a document providing all the necessary data to help Paraguayan entrepreneurs enter the Soviet market. The document answers a number of inevitable and usual questions on economic exchange. Iakovlev is trying to organize meetings and get concrete proposals for discussion at a meeting scheduled for mid June. On that occasion the representatives will discuss concrete ideas for trade relations and will cover ideas from the creation of Soviet and Paraguayan mixed enterprises to the jurisdiction of foreign trade.

Peru

Shining Path Attacks in Southern Ayacucho Noted

PY0705185591 Madrid EFE in Spanish 0717 GMT 7 May 91

[Text] Ayacucho, 7 May (EFE)—Eleven persons, among them four mothers and five of their children, have been murdered by alleged members of the Shining Path during actions perpetrated in four towns of the southern department of Ayacucho. The relatives of those killed today reported the murders to the Ayacucho prosecutor's office.

The relatives said that the murders were committed on 6 May in Janopampa, La Mar province—where the terrorists beat and stabbed to death two women and three of their children—and in Quina, (Huamanga), where they used the same method to kill two mothers and two of their children.

The four women were members of the "Glass of Milk" mothers' associations, which advise on schoolchildren's food. According to the sources, the murderers charged their victims with "attending military parades."

The National Police reported that Luis Marino, leader of a civic association, was killed on 6 May in the town of Vinchos, (Huamanga). In Pacaycasa, near Ayacucho, Shining Path members killed Julio Robles, a member of the civilian militias that fight the Shining Path and that are known as "Peasant Defense Patrols."

The terrorists left signs on the bodies of the victims which read: "This is how traitors die. Communist Party of Peru." This is the official name of the Maoist Shining Path group.

During the nine months of [President Alberto] Fujimori's administration, political violence has claimed the lives of 2,129 terrorists, military men, policemen, and civilians. This information was released by Socialist Senator Enrique Bernales on 3 May. Bernales, who chairs the Senate pacification committee and who is also the current president of the United Nations Human Rights Commission, said that violence has claimed 29 lives between January and April.

According to the findings of Bernales' committee, 22,000 persons have died in Peru since 17 May 1980, the date on which the Shining Path began its violent actions, while losses caused by attacks total $22 billion.

Terrorists intensified their action in April, Bernales said, adding that the death toll for that month reached 177: 20 policemen, 61 civilians and 96 terrorists. The Lima police bomb squad on 6 May deactivated a car bomb that had been parked near the San Martin barracks in Lima.

Deputies To Consider Charging Former Ministers

PY0705160491 Lima RTP Television Network in Spanish 0100 GMT 7 May 91

[Text] A resolution approved by a majority vote regarding a constitutional charge against five former ministers of the APRA [American Popular Revolutionary Alliance] administration has been submitted to the Chamber of Deputies Documentation Office. The ministers have been charged with embezzling dollars from the MUC [Standardized Exchange Market].

The resolution, which was approved by a committee presided over by Popular Action Deputy Ivan La Riva Begazzo, charges former Economy Minister Cesar Vasquez Bazan and former Industry Minister Carlos Raffo with overstepping their authority and evading control procedures.

The 15-page resolution also levels charges of extortion against former Transport Minister Oswaldo Moran Marquez, former Education Minister Efrain Orbegozo, and former Agriculture Minister Roberto Angeles.

The document will be submitted to the Chamber of Deputies for approval. If approved, three congressmen will then submit it the Senate. If approved by the Senate the resolution will be finally submitted to the judicial branch and the Office of the Attorney General.

Suriname

Assembly Meeting Postponed Until 16 May

PY0405024091 Paramaribo International Service in English 1730 GMT 3 May 91

[Text] The assembly meeting during which the interim government would explain the policies they have executed has been postponed at the request of President Johan Kraag.

The assembly meeting was planned for yesterday. President Kraag requested the postponement in connection with the 50th anniversary of Vice President Wijdenbosch yesterday.

The assembly meeting has now been postponed for the second time. Earlier the meeting was postponed because the majority of the assembly members failed to turn up at the meeting which was called at the request of the government. Politicians of the front, which has the majority in the assembly, has since the installation of the interim cabinet criticized the government's policy but are of the opinion that it was politically unwise to do this during an assembly meeting.

Assembly members from the opposition have accused the front government, which was ousted from power by a military coup at the end of last year, of being afraid that irregularities of the former government will be uncovered during the meeting.

The assembly meeting during which the interim government will explain its policy has been postponed until May 16 coming.

Official Comments on U.S. Ban on Shrimp Exports

PY0405024891 Paramaribo International Service in English 1730 GMT 3 May 91

[Text] The prohibition by the North American Government on the import of shrimp from Suriname will not affect the Suriname-American Industries Limited, SIL, that state company which exports shrimp. SIL Director (Albert Van Dyke) says that the company has stopped exporting shrimp to the United States for the past year but exports the commodity to Europe and Japan.

The North American Government has announced the import prohibition because Suriname has not taken sufficiently enough steps to protect sea turtles which are caught up in the net of shrimp trawlers. SIL Director (Van Dyke) says he knows that the North American Government has repeatedly requested government measures for the protection of sea turtles in Surinamese waters. In this framework a law should be made to the effect that shrimp catchers should make an escape hatch in their nets so that turtles can free themselves from the nets.

The Ministry of Agriculture, Animal Husbandry, and Fisheries [words indistinct] react on this as a result of which Suriname has been blacklisted, said (Van Dyke).

Although the measure hardly has any effects on shrimp exports, (Van Dyke) is of the opinion that it is still important for Suriname to take measures to protect the sea turtle. If needed, technical assistance could be requested from other countries and organizations, said the SIL director.

Foreign Minister on Relations With Venezuela

PY0705182991 Paramaribo International Service in English 1730 GMT 6 May 91

[Text] Foreign Affairs Minister Robby Ramlakhan has called the demand by the Venezuelan Government to change two articles in the Surinamese Constitution concerning the Army before the relations with Suriname can be normalized extreme interference in Surinamese internal affairs.

The minister last night, during a television program on foreign policy, said that the government will not honor this demand. Changing the Constitution is an internal affair and it will only happen if the Surinamese express the need for it, but not at the instigation of other countries, said Ramlakhan.

The minister is of the opinion that more attention should be given to relations with Brazil, the neighboring countries, and the Caribbean communities, for these countries bring more economic benefits.

Minister Ramlakhan, during the television program, also denied allegations that Suriname is politically isolated.

The first visit of the OAS secretary general to Suriname last month, the good relations with the United States of America, Brazil, the remaining neighboring countries, European countries, and countries in the rest of the world, according to Robby Ramlakhan, speak volumes.

He also announced that the president of a country in the Far East will shortly visit Suriname.

Venezuelan fishermen who operate in the Suriname coastal area run the risk of being arrested by Surinamese authorities now that the fisheries agreement between both countries has been suspended, Foreign Affairs Minister Ramlakhan said yesterday in a television program, during which he explained the foreign policy. The minister said that the fisheries agreement with Venezuela is a government-to-government one, and is included in sanctions [word indistinct] by the Venezuelan Government after the front government was ousted from power at the end of last year.

The Venezuelans suspended all agreements with the Surinamese Government and brought diplomatic relations to a lower level.

Still, according to them, there will be a democratic government in Suriname again. They, however, wanted to exclude the fisheries agreement from the suspended agreements, according to which, about 160 Venezuelan fishermen were allowed to operate in Surinamese waters. Venezuelan fishermen now run the risk to be arrested for illegal fishing in Suriname.

Labor Conflict May Affect Voter List Processing

PY0405025291 Paramaribo International Service in English 1730 GMT 3 May 91

[Text] The actions by the Central Bureau for Mechanical Administration, the CBMA, can [word indistinct] the elections as well as the payment of salaries and benefits for the month of May.

This was told to our newsroom by the chairman of the CBMA workers organization, (Plans Veithafter). He admitted that the workers have since yesterday laid down tools. Workers were of the opinion that they have no other choice since the government has failed to react on the many letters [words indistinct] problems of the [word indistinct] of company [word indistinct].

The problems vary from old machines to the neglect of personnel on the issue of salaries. Ten of the 16 machines are out of order, while the remaining six are not reliable, said that union chairman, who further added that the personnel are for some years now waiting for the promise [words indistinct] of salaries.

(Veithafter's) note said urgent intervention is needed at the CBMA because of the present rush processing of voters lists, the preparations of monthly payments to civil servants, and the processing of the coming school examinations.

The Central Bureau for Mechanical Administration is responsible for the entire administration of the government. (Veithafter) said that the workers will remain in action until they get written guarantees that the problems will be solved. The government was this morning unavailable for comment on the actions at the CBMA.